# Calendar No. 292

104TH CONGRESS S. 1180

[Report No. 104-193]

To amend title XIX of the Public Health Service Act to provide for health performance partnerships, and for other purposes. A BILL

December 19, 1995

Reported with an amendment

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104TH CONGRESS 1ST SESSION

# S. 1180

[Report No. 104-193]

To amend title XIX of the Public Health Service Act to provide for health performance partnerships, and for other purposes.

## IN THE SENATE OF THE UNITED STATES

August 10 (legislative day, July 10), 1995

Mrs. Kassebaum introduced the following bill; which was read twice and referred to the Committee on Labor and Human Resources

DECEMBER 19, 1995

Reported by Mrs. Kassebaum, with an amendment [Strike out all after the enacting clause and insert the part printed in italic]

# A BILL

To amend title XIX of the Public Health Service Act to provide for health performance partnerships, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,

### SECTION 1. SHORT TITLE, REFERENCES, AND TABLE OF

- 2 **CONTENTS.**
- 3 (a) SHORT TITLE.—This Act may be eited as the
- 4 "SAMHSA Reauthorization, Flexibility Enhancement,
- 5 and Consolidation Act of 1995".
- 6 (b) References in Act.—Except as otherwise ex-
- 7 pressly provided, whenever in this Act an amendment or
- 8 repeal is expressed in terms of an amendment to, or repeal
- 9 of, a section or other provision, the reference shall be con-
- 10 sidered to be made to a section or other provision of the
- 11 Public Health Service Act (42 U.S.C. 201 et seq.).
- 12 (e) Table of Contents for
- 13 this Act is as follows:

Sec. 1. Short title, references, and table of contents.

#### TITLE I-MENTAL HEALTH

- Sec. 101. Replacement of State plan program with performance partnerships.
- Sec. 102. Review by planning council of State's report.
- Sec. 103. State opportunity to correct or mitigate failure to maintain effort.
- Sec. 104. Funding for organizations that are for-profit.
- Sec. 105. Authorization of appropriation.
- Sec. 106. Data collection, technical assistance, and evaluations.
- Sec. 107. Projects for assistance in transition from homelessness.
- Sec. 108. Priority mental health needs of regional and national significance.
- Sec. 109. Repeals.
- Sec. 110. Comprehensive community services for children with a serious emotional disturbance.
- Sec. 111. Reauthorization of the Access Program.

## TITLE II—SUBSTANCE ABUSE

- Sec. 201. Replacement of State plan program with performance partnerships.
- Sec. 202. Allocations regarding primary prevention and womens programs.
- Sec. 203. Tuberculosis and HIV.
- Sec. 204. Group homes for recovering substance abusers.
- Sec. 205. State substance abuse prevention and treatment planning council.
- Sec. 206. Additional agreements.
- Sec. 207. State opportunity to correct or mitigate failure to maintain effort.
- Sec. 208. Funding for organizations that are for-profit.
- Sec. 209. Authorization of appropriations.

- Sec. 210. Data collection, technical assistance, and evaluations.
- Sec. 211. Priority substance abuse prevention and treatment needs of regional and national significance.

Sec. 212. Repeals.

#### TITLE III—GENERAL PROVISIONS

- Sec. 301. Reporting by States on performance.
- Sec. 302. On site performance reviews.
- Sec. 303. Additional year for obligation by State.
- Sec. 304. Definitions.
- Sec. 305. Repeal of obsolete provisions concerning allocations.
- Sec. 306. Repeal of obsolete addict referral provisions.
- Sec. 307. Regulations.
- Sec. 308. Advisory councils.
- Sec. 309. Report on development of partnerships and use of grants.

# TITLE IV—REAUTHORIZATION OF PROTECTION AND ADVOCACY FOR MENTALLY ILL INDIVIDUALS ACT OF 1986

- Sec. 401. Short title.
- Sec. 402. Reauthorization.
- Sec. 403. Allotment formula.

#### TITLE V—REAUTHORIZATION OF CERTAIN INSTITUTES

Sec. 501. Reauthorization of certain Institutes.

TITLE VI—TRANSITION PROVISIONS AND EFFECTIVE DATES

Sec. 601. Transition provisions and effective dates.

# 1 TITLE I—MENTAL HEALTH

#### SEC. 101. REPLACEMENT OF STATE PLAN PROGRAM WITH

- 3 **PERFORMANCE PARTNERSHIPS.**
- 4 (a) Elimination of State Plan Program Re-
- 5 Quirements.—Subpart I of Part B of title XIX (42)
- 6 U.S.C. 300x-1 et seq.) is amended by repealing sections
- 7 <del>1911, 1912, and 1913.</del>
- 8 (b) Performance Partnership Framework.—
- 9 Subpart I of Part B of title XIX (as amended by sub-
- 10 section (a) is further amended by inserting after the sub-
- 11 part heading the following new sections:

# 1 "SEC. 1911. PERFORMANCE PARTNERSHIP GOALS AND 2 OBJECTIVES. 3 "(a) GOALS.— 4 "(1) IN GENERAL.—It is the goal of this sub-5 part for the States and the Federal Government, 6 working together in a partnership, to improve the 7 quality of life of adults with a serious mental illness 8 and children with a serious emotional disturbance, 9 and to improve the overall mental health of United 10 States citizens, by— 11 "(A) promoting access to comprehensive 12 community mental health services for adults 13 with a serious mental illness and children with 14 a serious emotional disturbance; and 15 "(B) increasing the development of sys-16 tems of integrated comprehensive community 17 based services for adults with a serious mental 18 illness and children with a serious emotional 19 disturbance. 20 "(2) Systems of integrated comprehen-21 SIVE COMMUNITY BASED SERVICES.—As used in 22 paragraph (1)(B), the term 'systems of integrated 23 comprehensive community based services' means in-24 tegrated systems of care that would enable children 25 and adults to receive eare appropriate for their mul-

tiple needs. With respect to children, such integrated

systems of care shall ensure the provision, in a collaborative manner, of mental health, substance abuse, education and special education, juvenile justice, health, and child welfare services. With respect to adults, such integrated systems of care shall ensure the provision, in a collaborative manner, of mental health, vocational rehabilitation, housing, criminal justice, health, and substance abuse services.

# "(b) Performance Partnership Objectives.—

"(1) ESTABLISHMENT.—Not later than October 1 of the fiscal year prior to the fiscal year in which this section becomes effective as provided for in section 601(e) of the SAMHSA Reauthorization, Flexibility Enhancement, and Consolidation Act of 1995, the Secretary, in consultation with the States, local governments, Indian tribes, health care providers, consumers, and families, shall establish, and as necessary, periodically revise—

"(A) a list of performance partnership objectives to carry out the goals of this subpart, and

"(B) a core set of not more than five of such objectives that address mental health problems of national significance.

1	"(2) REQUIREMENTS.—Each performance part-
2	nership objective established under paragraph (1)
3	shall include—
4	"(A) a performance indicator;
5	"(B) the specific population being ad-
6	<del>dressed;</del>
7	"(C) a performance target; and
8	"(D) a date by which the target level is to
9	be achieved.
10	"(3) Principles.—In establishing the perform-
11	ance partnership objectives under paragraph (1), the
12	Secretary shall be guided by the following principles:
13	"(A) The objectives should be closely relat-
14	ed to the goals of this subpart, and be viewed
15	as important by and understandable to State
16	policymakers and the general public.
17	"(B) Objectives should be results-oriented,
18	including a suitable mix of outcome, process
19	and capacity measures.
20	"(C) In the case of an objective that has
21	suitable outcome measures, measurable
22	progress in achieving the objective should be ex-
23	pected over the period of the grant.
24	"(D) In the case of an objective that has
25	suitable process or capacity measures, such ob-

jective should be demonstrably linked to the achievement of, or demonstrate the potential to achieve, a mental health outcome.

"(E) Data to track the objective should, to the extent practicable, be comparable for all grant recipients, meet reasonable statistical standards for quality, and be available in a timely fashion, at appropriate periodicity, and at reasonable cost.

## "(c) Definitions.—

"(1) ESTABLISHMENT BY SECRETARY OF DEFINITIONS; DISSEMINATION. For purposes of this
subpart, the definitions established on May 20,
1993, for the terms 'adults with a serious mental illness' and 'children with a serious emotional disturbance' shall apply unless such definitions are revised
by the Secretary. The Secretary shall disseminate
the definitions to the States.

"(2) STANDARDIZED METHODS.—The Secretary shall establish standardized methods for applying the definitions in paragraph (1). A funding agreement for a grant under this subpart for the State is that the State will utilize such methods in making such estimates.

1	"(3) Date certain for compliance by sec-
2	RETARY.—Not later than 90 days after the date of
3	the enactment of this section, the Secretary shall es-
4	tablish the standardized methods described in para-
5	<del>graph (2).</del>
6	"SEC. 1912. STATE PERFORMANCE PARTNERSHIP PRO
7	POSAL.
8	"(a) In General.—To be eligible to receive a grant
9	under this subpart, a State shall, in accordance with this
10	section, prepare and submit to the Secretary a perform-
11	ance partnership proposal.
12	"(b) ELEMENTS RELATED TO PERFORMANCE OB-
13	JECTIVES.—A State proposal submitted under subsection
14	(a) shall contain—
15	"(1) a list of one or more objectives (derived
16	from the performance partnership objectives estab-
17	lished under section 1911(b)), including at least one
18	objective in the children's area, toward which the
19	State will work and a performance target for each
20	objective which the State will seek to achieve by the
21	end of the partnership period;
22	"(2) a rationale for the State's selection of ob-
23	jectives, including any performance targets, and
24	timoframos.

1 "(3) a statement of the State's strategies for 2 achieving the objectives over the course of the grant 3 period and evidence that the actions taken under a 4 partnership agreement will have an impact on the 5 objective;

"(4) a statement of the amount to be expended to earry out each strategy; and

"(5) an assurance that the State will report annually on all core performance objectives established under section 1911(b)(1)(B) (regardless of whether it is working toward those objectives) and the specific objectives toward which the State will work under the performance partnership.

A State may select an objective that is not an established performance partnership objective under section 1911 if the State demonstrates to the Secretary that the objective relates to a significant mental health problem in the State that would not otherwise be appropriately addressed. The Secretary may require that objectives and requirements be developed by the State in a manner consistent with the requirements of paragraphs (2) and (3) of section

23 "(c) Transition Provision.—A State may select 24 objectives under this section which have solely process or 25 capacity measures until such time as data sets are deter-

<del>1911(b).</del>

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- 1 mined by the Secretary to be readily available, sufficient,
- 2 and relevant under section 601(a) of the SAMHSA Reau-
- 3 thorization, Flexibility Enhancement, and Consolidation
- 4 Act of 1995, to make outcome measurements for objec-
- 5 tives developed by the Secretary.
- 6 "SEC. 1913. FEDERAL-STATE PERFORMANCE PARTNERSHIP.
- 7 "(a) Negotiations Concerning State Pro-
- 8 POSAL.
- 9 "(1) REASONABLE EFFORTS TO AGREE.—A
- 10 State submitting a proposal under section 1912 and
- 11 the Secretary shall make all reasonable efforts to
- 12 agree on a performance partnership pursuant to
- which the State shall expend amounts received under
- 14 a grant provided under this subpart.
- 15 "(2) Duties of Secretary.—In negotiations
- 16 conducted under paragraph (1) concerning the pro-
- 17 posal of a State, the Secretary shall consider the ex-
- 18 tent to which the proposed objectives, performance
- 19 targets, timeframes, and strategies of the State are
- 20 likely to address appropriately the most significant
- 21 mental health problems (as measured by applicable
- 22 <u>indicators</u>) within the State.
- 23 "(b) PARTNERSHIP PERIOD.—The Secretary, in con-
- 24 sultation with a State receiving a grant under this sub-
- 25 part, shall set the duration of the partnership with the

1	State. Initial and subsequent partnership periods shall not
2	be less than 3 nor more than 5 years, except that the Sec-
3	retary may agree to a partnership period of less than 3
4	years where a State demonstrates to the satisfaction of
5	the Secretary that such shorter period is appropriate in
6	light of the particular circumstances of that State.
7	"(c) Assessment and Adjustment.—
8	"(1) Assessments.—The Secretary shall annu-
9	ally assess—
10	"(A) the progress achieved nationally to-
11	ward each of the core objectives established
12	under section 1911(b)(1)(B); and
13	"(B) in consultation with each State, the
14	progress of the State toward each objective
15	agreed upon in the performance partnership
16	under subsection (a);
17	and make such assessment publicly available.
18	"(2) State assessments.—In carrying out
19	paragraph (1)(B), the Secretary shall take into con-
20	sideration such qualitative assessments of perform-
21	ance as may be provided by each State pursuant to
22	section $1942(a)(3)$ .
23	"(3) Adjustments.—With respect to a per-
24	formance partnership under subsection (a), the Sec-
25	retary and the State may at any time in the course

1	of the partnership period renegotiate, and revise by
2	mutual agreement, the elements of the partnership
3	to account for new information or changed cir-
4	cumstances (including information or changes identi-
5	fied during assessments under paragraph (1)).
6	"(d) Grants to States; Use of Funds.—
7	"(1) Grants.—The Secretary shall award a
8	grant to each State that—
9	"(A) has reached a performance partner-
10	ship agreement with the Secretary under sub-
11	section (a); and
12	"(B) is carrying out activities in accord-
13	ance with the terms of such partnership;
14	in an amount that is equal to the allotment of the
15	State under section 1918. Grants shall be awarded
16	for each fiscal year for which the partnership is in
17	effect.
18	"(2) Use of funds.—Funds paid to a State
19	under a grant described in paragraph (1) may be
20	used by the State only for the purpose of carrying
21	out this subpart (including related data collection,
22	evaluation, planning, administration, and edu-
23	cational activities).".

1	(c) Additional General Provisions Concerning
2	Partnerships.—Section 1917 (42 U.S.C. 300x-6) is
3	amended—
4	(1) by striking the section heading;
5	(2) by striking "application" each place that
6	such term appears and inserting "proposal";
7	(3) in subsection (a)—
8	(A) in the subsection heading, by striking
9	"(a) In General." and all that follows
10	through paragraph (1) and inserting "(d) AD-
11	DITIONAL ELEMENTS.—A State proposal is in
12	accordance with this subsection if—';
13	(B) in paragraph (3), by inserting "pro-
14	posed performance partnership and" before
15	"agreements";
16	(C) in paragraph (5), by striking "the ap-
17	plication contains the plan required in section
18	<del>1912(a),'';</del>
19	(D) in paragraph (7), by striking "includ-
20	ing the plan under section 1912(a))";
21	(E) by redesignating paragraphs (2)
22	through (4), and paragraphs (6) and (7) as
23	paragraphs (1) through (5), respectively; and
24	(F) by transferring such subsection to sec-
25	tion 1912 (as added by subsection (b)) and in-

1	serting such subsection at the end of such sec-
2	tion; and
3	(4) in subsection (b)—
4	(A) by transferring such subsection to sec-
5	tion 1913 (as added by subsection (b));
6	(B) by inserting such subsection at the end
7	of such section 1913; and
8	(C) by redesignating such subsection as
9	subsection (e).
10	(d) Definitions.—Section 1919 (42 U.S.C. 300x-
11	8) is amended by adding at the end thereof the following
12	new paragraphs:
13	"(3) The term 'performance indicator' means a
14	quantifiable characteristic used as a measurement.
15	"(4) The term 'performance target' means a
16	numerical value sought to be achieved within a spec-
17	ified period of time.".
18	(e) Conforming Amendments.—Title XIX is
19	<del>amended</del>
20	(1) in the heading to subpart I of part B (42)
21	U.S.C. 300x-1), by striking "Block" and inserting
22	"Performance Partnership";
23	(2) in section 1914(b)(1) (42 U.S.C. 300x-
24	3(b)(1)), by striking "plans" each place that such
25	appears and inserting "performance partnerships";

1	(3) in section 1915(a) (42 U.S.C. 300x-4(a))—
2	(A) in the subsection heading, by striking
3	"Plan" in the subsection heading and inserting
4	"PERFORMANCE PARTNERSHIP"; and
5	(B) by striking "plan" each place that
6	such appears and inserting "performance part-
7	nership";
8	(4) in subpart HI of part B (300x-51 et seq.),
9	by striking "section 1911" each place that such ap-
10	pears, and inserting "subpart I".
11	(5) in section 1941 (42 U.S.C. 300x-51)—
12	(A) in the section heading, by striking
	((
13	"PLANS" and inserting "PERFORMANCE
13 14	PLANS and inserting PERFORMANCE PARTNERSHIPS"; and
14	PARTNERSHIPS"; and
14 15	PARTNERSHIPS"; and  (B) by striking "plan" each place that
14 15 16	PARTNERSHIPS"; and  (B) by striking "plan" each place that such appears and inserting "performance part-
14 15 16 17	PARTNERSHIPS"; and  (B) by striking "plan" each place that such appears and inserting "performance partnership";
14 15 16 17	PARTNERSHIPS"; and  (B) by striking "plan" each place that such appears and inserting "performance partnership";  (6) in section 1944(b)(3) (42 U.S.C. 300x-
14 15 16 17 18	PARTNERSHIPS"; and  (B) by striking "plan" each place that such appears and inserting "performance partnership";  (6) in section 1944(b)(3) (42 U.S.C. 300x-54(b)(3)), by striking "1912(d) or"; and
14 15 16 17 18 19 20	PARTNERSHIPS"; and  (B) by striking "plan" each place that such appears and inserting "performance partnership";  (6) in section 1944(b)(3) (42 U.S.C. 300x-54(b)(3)), by striking "1912(d) or"; and  (7) in section 1945(d)(2)(A) (42 U.S.C. 300x-
14 15 16 17 18 19 20	PARTNERSHIPS"; and  (B) by striking "plan" each place that such appears and inserting "performance partnership";  (6) in section 1944(b)(3) (42 U.S.C. 300x-54(b)(3)), by striking "1912(d) or"; and  (7) in section 1945(d)(2)(A) (42 U.S.C. 300x-55(d)(2)(A)), by striking "the condition established
14 15 16 17 18 19 20 21	PARTNERSHIPS"; and  (B) by striking "plan" each place that such appears and inserting "performance partnership";  (6) in section 1944(b)(3) (42 U.S.C. 300x-54(b)(3)), by striking "1912(d) or"; and  (7) in section 1945(d)(2)(A) (42 U.S.C. 300x-55(d)(2)(A)), by striking "the condition established in section 1912(d) and".

1	(2) by redesignating paragraphs (6) through
2	(14) as paragraphs (5) through (13), respectively.
3	SEC. 102. REVIEW BY PLANNING COUNCIL OF STATE'S RE-
4	PORT.
5	Section $1915(a)(1)$ (42 U.S.C. $300x-4(a)(1)$ ) is
6	amended by inserting "(and the report of the State under
7	section 1942(a) concerning the preceding fiscal year)"
8	after "to the grant".
9	SEC. 103. STATE OPPORTUNITY TO CORRECT OR MITIGATE
10	FAILURE TO MAINTAIN EFFORT.
11	Section 1915(b)(3)(A) (42 U.S.C. 300x-4(b)(3)(A))
12	is amended by striking the second sentence and inserting
13	the following new sentences: "If the Secretary determines
14	that a State has failed to maintain such compliance, the
15	Secretary may permit the State, not later than 1 year
16	after notification, to correct or mitigate the noncompli-
17	ance. If the State does not earry out a correction or miti-
18	gation as specified by the Secretary (or if the Secretary
19	decided it was not appropriate to provide that oppor-
20	tunity), the Secretary shall reduce the amount of the grant
21	under this subpart for the State for the current fiscal year
22	by an amount equal to the amount constituting such fail-
23	1180 ''

1	SEC. 104. FUNDING FOR ORGANIZATIONS THAT ARE FOR
2	PROFIT.
3	Section $1916(a)(5)$ (42 U.S.C. $300x-5(a)(5)$ ) is
4	amended by inserting before the period the following: "
5	unless the State determines that it is appropriate and ben-
6	eficial for a for-profit private entity to receive assistance
7	to facilitate the integration of the State Medicaid program
8	or mental health managed care programs under title XIX
9	of the Social Security Act)".
10	SEC. 105. AUTHORIZATION OF APPROPRIATION.
11	Section 1920(a) (42 U.S.C. 300x-9(a)) is amended
12	by striking "\$450,000,000" and all that follows through
13	the end thereof and inserting "\$280,000,000 for fiscal
14	year 1996, and such sums as may be necessary for each
15	of the fiscal years 1997 through 1999.".
16	SEC. 106. DATA COLLECTION, TECHNICAL ASSISTANCE
17	AND EVALUATIONS.
18	(a) Reserved Funds.—Section 1920(b) (42 U.S.C.
19	300x-9(b)) is amended to read as follows:
20	"(b) Reserved Funds.—
21	"(1) IN GENERAL.—The Secretary shall reserve
22	5 percent of the amounts appropriated for a fiscal
23	year under subsection (a)—
24	"(A) to earry out sections 505 (providing
25	for data collection) and 1948(a) (providing for

1	technical assistance to States) with respect to
2	mental health; and
3	"(B) to conduct evaluations concerning
4	programs supported under this subpart.
5	The Secretary may carry out activities funded pur-
6	suant to this subsection directly, or through grants,
7	contracts, or cooperative agreements.
8	"(2) Data collection infrastructure.—In
9	carrying out this subsection, the Secretary shall
10	make available grants and contracts to States for
11	the development and strengthening of State core ca-
12	pacity (including infrastructure) for data collection
13	and evaluation.".
14	(b) Data Collection Authority.—Section 505(a)
15	(42 U.S.C. 290aa-4(a)) is amended—
16	(1) in paragraph (1), by striking "and" at the
17	end thereof;
18	(2) in paragraph (2), by striking the period at
19	the end thereof and inserting "; and"; and
20	(3) by adding at the end the following:
21	"(3) other factors as needed to carry out part
22	B of title XIX.
23	The Secretary may conduct activities under this sub-
24	section directly, or through grants, contracts, or coopera-
25	tive agreements.".

1	(c) Conforming Amendment.—Section 1948(a)
2	(42 U.S.C. 300x-58(a)) is amended by striking "through
3	contract, or through grants" and inserting "or through
4	grants, contracts, or cooperative agreements".
5	SEC. 107. PROJECTS FOR ASSISTANCE IN TRANSITION
6	FROM HOMELESSNESS.
7	(a) Purpose of Grants.—Section 522(b) of the
8	Public Health Service Act (42 U.S.C. 290cc-22(b)) is
9	amended—
10	(1) in paragraph (10)—
11	(A) in subparagraph (F), by striking
12	"and" at the end thereof; and
13	(B) by adding at the end thereof the fol-
14	lowing new subparagraph:
15	"(H) providing ongoing assistance for rent-
16	al payments and the costs of living in such set-
17	tings when such housing is considered to be in-
18	tegral for the treatment of mentally ill homeless
19	individuals committed to treatment in out-
20	patient settings; and";
21	(2) by redesignating paragraph (11) as para-
22	graph (12); and
23	(3) by inserting after paragraph (10), the fol-
24	lowing new paragraph:

1	"(11) education of the judiciary regarding the
2	manifestations of mental illness which are indica-
3	tions for committing the mentally ill homeless to in-
4	patient or outpatient treatment in accordance with
5	existing State commitment statutes for the mentally
6	ill; and".
7	(b) INCENTIVE GRANTS.—Part C of title V of the
8	Public Health Service Act (42 U.S.C. 290cc-21 et seq.)
9	is amended—
10	(1) by inserting after the part heading the fol-
11	lowing:
12	"SUBPART I—FORMULA GRANTS FOR MEDICAL
13	AND SUPPORTIVE SERVICES FOR THE MEN-
14	TALLY ILL HOMELESS"; and
15	(2) by inserting after section 529 (42 U.S.C.
16	290ce-29) the following:
17	SUBPART II—INCENTIVE GRANTS FOR STATE TO
18	IMPROVE THEIR OUTPATIENT COMMITMENT
19	TREATMENT SYSTEMS AND COMMITMENT
20	<b>LAWS</b>
21	"SEC. 529A. INCENTIVE GRANTS FOR STATE TO IMPROVE
22	THEIR OUTPATIENT COMMITMENT TREAT-
23	MENT SYSTEMS AND COMMITMENT LAWS.
23 24	MENT SYSTEMS AND COMMITMENT LAWS.  "(a) IN GENERAL.—Beginning in fiscal year 1998,

1	with a State or territory under this section for the purpose
2	of providing the services described in subsection (b) to in-
3	dividuals who—
4	"(1) are suffering from serious mental illness;
5	and
6	"(2) have been committed to outpatient treat-
7	ment in accordance with State or territory commit-
8	ment laws for the mentally ill because such individ-
9	uals have been found to be gravely disabled as a re-
10	sult of their mental illness.
11	"(b) Specification of Services.—The services de-
12	seribed in this subsection are—
13	"(1) mental health services in outpatient set-
14	<del>tings;</del>
15	"(2) outreach services; and
16	"(3) case management to assure that individ-
17	uals remain in treatment and to assist individuals
18	with supportive and supervisory residential settings.
19	"(e) APPLICATION.—To be eligible to receive a grant
20	or contract under this section, a State or territory shall
21	prepare and submit to the Secretary an application at
22	such time, in such manner, and containing such informa-
23	tion as the Secretary may require, including—
24	"(1) an agreement that the State or territory
25	will ensure that payments under the grant will be

1	expended by the State or territory or through grants
2	made by the State or territory to political subdivi-
3	sions of the State or territory and to nonprofit pri-
4	vate entities;
5	"(2) a description of the performance objectives
6	that the project to be funded under the grant will
7	be measured against, and that a recipient of the
8	grant under this section shall meet; and
9	"(3) an assurance that the State or territory
10	will meet information requirements as specified by
11	the Secretary.
12	"(d) Special Rule.—
13	"(1) In GENERAL.—The Secretary may not
14	award a grant or contract to a State or territory
15	under this subpart unless the State or territory in-
16	volved has in effect on the date of the award a law—
17	"(A) which provides for the commitment of
18	the gravely disabled; and
19	"(B) that provides for intensive case man-
20	agement to monitor compliance and reconnect
21	the gravely disabled to treatment services, a
22	court hearing prior to a gravely disabled indi-
23	vidual being re-committed to an inpatient or
24	outpatient setting or the involvement of out-

patient mental health care providers in the ini-

tial treatment planning as well as the monitor ing and ease management aspects of follow-up
 eare for the gravely disabled individual.

tion, the term 'gravely disabled' means an individual who, as a result of mental illness, fails to meet his or her essential needs including the need for food, clothing, shelter or medical care, to the degree that such individual poses a real, present and substantial threat of serious physical harm to self, except that the failure of an individual to meet essential needs shall not, in and of itself, be sufficient grounds to establish that such person is mentally ill.

"(e) ADMINISTRATIVE EXPENSES.—The Secretary
may not award a grant or contract to a State or territory
under this section unless the State or territory involved
agrees that not more than 4 percent of the amounts reecived under the award will be expended for administrative
expenses regarding the amounts.

# 20 "(f) Maintenance Requirements.—

"(1) MAINTENANCE OF EFFORT. The Secretary may not award a grant or contract to a State or territory under this section unless the State involved agrees that the State or territory will maintain State or territory expenditures for services de-

scribed in subsection (b) at a level that is not less than the average level of such expenditures maintained by the State or territory for the 2-year period preceding the fiscal year for which the State or territory is applying to receive such an award.

"(2) MATCHING FUNDS.—The Secretary may require that a State or territory that applies for a grant or contract under this section provide non-Federal matching funds, as appropriate, to ensure the State or territory commitment to the programs funded under this section. Such non-Federal matching funds may be provided directly or through donations from public or private entities and may be in eash or in-kind, fairly evaluated, including plant, equipment, or services.

## "(g) GENERALLY APPLICABLE PROVISIONS.—

"(1) Competitive Basis.—The Secretary shall ensure that grants and contract are awarded under this section on a competitive basis, as appropriate, to States or territories that demonstrate a potential to retain, or a history of retaining, the gravely disabled mentally ill who have been committed to outpatient treatment in outpatient treatment in accordance with court ordered treatment plans.

1	"(2) Terms.—The period under which pay-
2	ments are made under a grant or contract under
3	this section may not exceed 5 years. Such payments
4	shall be subject to annual approval by the Secretary
5	and subject to the availability of appropriations for
6	the fiscal year involved. Nothing in this paragraph
7	shall be construed as limiting the number of awards
8	that may be made to a State or territory under this
9	section.
10	"(3) Peer review.—An application received
11	by the Secretary under this section shall be submit-
12	ted to a peer review group for an evaluation of the
13	merits of the proposals made in the application. The
14	Secretary may not approve such an application un-
15	less a peer review group has recommended the appli-
16	cation for approval.
17	"SUBPART III—GENERALLY APPLICABLE
18	PROVISIONS".
19	(e) Funding.—Section 535(a) of the Public Health
20	Service Act (42 U.S.C. 290cc-35(a)) is amended—
21	(1) by striking "this part" and inserting "sec-
22	tion 521"; and

(2) by striking "\$75,000,000" and all that fol-

lows through the period and inserting "\$29,000,000

for each of the fiscal years 1996 and 1997, and

23

24

1	\$50,000,000 for each of the fiscal years 1998 and
2	1999. With respect to amounts appropriated under
3	this subsection for fiscal year 1998, the Secretary
4	shall allocate such amounts between subparts I and
5	H based on the ratio of the amounts allocated under
6	section 521 and under sections 520A(e) and 506(e)
7	for the program known as the 'Access to Community
8	Care and Effective Services and Supports' (AC-
9	CESS) program for fiscal year 1997.".
10	(d) REPEAL.—Effective on October 1, 1997—
11	(1) section 506 (42 U.S.C. 290aa-5) is re-
12	<del>pealed; and</del>
13	(2) the Secretary shall not allocate funds under
14	section 520A (as amended by section 108) (42
15	U.S.C. 290bb-32) or under any other authority for
16	the program known as the "Access to Community
17	Care and Effective Services and Supports" (AC-
18	CESS) program.
19	SEC. 108. PRIORITY MENTAL HEALTH NEEDS OF REGIONAL
20	AND NATIONAL SIGNIFICANCE.
21	Section 520A (42 U.S.C. 290bb-32) is amended to
22	read as follows:

1	"SEC. 520A. PRIORITY MENTAL HEALTH NEEDS OF RE-
2	GIONAL AND NATIONAL SIGNIFICANCE.
3	"(a) Grants.—The Secretary shall address priority
4	mental health needs of regional and national significance
5	through—
6	"(1) the provision of—
7	"(A) training; or
8	"(B) demonstration projects for preven-
9	tion, treatment, and rehabilitation; and
10	"(2) the conduct or support of evaluations of
11	such demonstration projects.
12	In carrying out this section, the Secretary may make
13	grants to, or enter into cooperative agreements with,
14	States, political subdivisions of States, Indian Tribes and
15	tribal organizations, and public or private nonprofit enti-
16	<del>ties.</del>
17	"(b) Priority Mental Health Needs. Priority
18	mental health needs of regional and national significance
19	shall include child mental health services, and may include
20	managed care, systems and partnerships, client-oriented
21	and consumer-run self-help services, training, and other
22	priority populations and conditions as determined appro-
23	priate by the Secretary.
24	"(e) Requirements.—
25	"(1) In General. Recipients of grants, coop-
26	erative agreements, and contracts under this section

shall comply with information and application requirements determined appropriate by the Secretary.

"(2) PAYMENTS.—With respect to a grant, cooperative agreement, or contract awarded under this
section, the period during which payments under
such award are made to the recipient may not exceed 5 years. The provision of such payments shall
be subject to annual approval by the Secretary and
the availability of appropriations for the fiscal year
involved. This paragraph may not be construed as
limiting the number of awards under the program
involved that may be made to an entity.

"(3) MATCHING FUNDS.—The Secretary may require that an entity that applies for a grant, contract, or cooperative agreement under this section provide non-Federal matching funds, as determined appropriate by the Secretary, to ensure the institutional commitment of the entity to the projects funded under the grant, contract, or cooperative agreement. Such non-Federal matching funds may be provided directly or through donations from public or private entities and may be in each or in kind, fairly evaluated, including plant, equipment, or services.

"(4) MAINTENANCE OF EFFORT. With respect to activities for which a grant, cooperative agree-

1	ment, or contract is awarded under this section, the
2	Secretary may require that the recipient agree to
3	maintain expenditures of non-Federal amounts for
4	such activities at a level that is not less than the
5	level of such expenditures maintained by the entity
6	for such fiscal year preceding the fiscal year for
7	which the entity receives such a grant, contract, or
8	cooperative agreement.
9	"(5) Application and funding agree-
10	MENTS.—
11	"(A) APPLICATION.—An application for a
12	grant, contract, or cooperative agreement under
13	this section shall ensure that amounts received
14	under such grant, contract, or agreement will
15	not be expended—
16	"(i) to provide inpatient services;
17	"(ii) to make eash payments to in-
18	tended recipients of services;
19	"(iii) to purchase or improve land,
20	purchase, construct, or permanently im-
21	prove (other than minor remodeling) any
22	building or other facility, or purchase
23	major medical equipment; or

1	"(iv) to satisfy any requirement for
2	the expenditure of non-Federal funds as a
3	condition for the receipt of Federal funds.
4	"(B) Funding Agreement.—A funding
5	agreement for a grant, contract, or cooperative
6	agreement under this section is that the entity
7	involved will not expend more than 10 percent
8	of the grant, contract, or agreement for admin-
9	istrative expenses with respect to the grant,
10	contract, or agreement.
11	"(d) REDUCTION IN PAYMENTS.—The Secretary, at
12	the request of a State or a political subdivision of a State,
13	or a public or private nonprofit entity, may reduce the
14	amount of payments under this section by—
15	"(1) the fair market value of any supplies or
16	equipment furnished the State, political subdivision
17	of the State, or a public or private nonprofit entity;
18	and
19	"(2) the amount of the pay, allowances, and
20	travel expenses of any officer, fellow, or employee of
21	the Government when detailed to the State, a politi-
22	cal subdivision of the State, or a public or private
23	non-profit entity, and the amount of any other costs
24	incurred in connection with the detail of such officer,
25	fellow, or employee;

- 1 when the furnishing of such officer, fellow, or employee
- 2 is for the convenience of and at the request of the State,
- 3 political subdivision of the State, or public or private non-
- 4 profit entity and for the purpose of conducting activities
- 5 described in this section. The amount by which any pay-
- 6 ment is so reduced shall be available for payment by the
- 7 Secretary of the costs incurred in furnishing the supplies
- 8 or equipment or in detailing the personnel, on which the
- 9 reduction of the payment is based, and the amount shall
- 10 be deemed to have been paid to the State, political subdivi-
- 11 sion of the State, or public or private non-profit entity.
- 12 "(e) EVALUATION.—The Secretary shall evaluate
- 13 each project earried out under section (a)(1)(B) and shall
- 14 disseminate the findings with respect to each such evalua-
- 15 tion to appropriate public and private entities.
- 16 "(f) Information and Education.—
- 17 "(1) IN GENERAL.—The Secretary shall estab-
- 18 lish information and education programs to dissemi-
- 19 nate the findings of the demonstration and training
- 20 programs under this section to the general public
- 21 and to health professionals.
- 22 "(2) DISSEMINATION.—The Secretary shall
- take such action as may be necessary to insure that
- 24 all methods of dissemination and exchange of infor-
- 25 mation are maintained between the Substance Abuse

- 1 and Mental Health Services Administration and the
- 2 public, and such Administration and other scientific
- 3 organizations, both nationally and internationally.
- 4 "(g) Authorization of Appropriations.—There
- 5 are authorized to be appropriated to earry out this section,
- 6 \$50,000,000 for each of the fiscal years 1996 and 1997,
- 7 \$30,000,000 for fiscal year 1998, and such sums as may
- 8 be necessary for fiscal year 1999.".
- 9 **SEC. 109. REPEALS.**
- 10 (a) In General.—The following provisions of the
- 11 Public Health Service Act are repealed:
- 12 (1) Subsections (a), (e), and (d) of section 303
- 13 (42 U.S.C. 242a (a), (c), and (d)) relating to elinical
- 14 training and AIDS training.
- 15 (2) Section 520B (42 U.S.C. 290bb-33) relat-
- ing to AIDS demonstrations.
- 17 (3) Section 612 of the Stewart B. McKinney
- 18 Homeless Assistance Act.
- 19 (b) Conforming Amendment.—Section 303 (42)
- 20 U.S.C. 242a) as amended by subsection (a)(1), is further
- 21 amended by striking the remaining subsection designation.

1	SEC. 110. COMPREHENSIVE COMMUNITY SERVICES FOR
2	CHILDREN WITH A SERIOUS EMOTIONAL DIS-
3	TURBANCE.
4	(a) Authorization of Appropriations.—Section
5	565(f)(1) (42 U.S.C. 290ff-4(f)(1)) is amended—
6	(1) by striking "and" after "1993"; and
7	(2) by inserting before the period the following:
8	", \$60,000,000 for fiscal year 1996, and such sums
9	as may be necessary for each of the 3 succeeding fis-
10	cal years".
11	(b) Flexibility for Indian Tribes and Terri-
12	TORIES.—Section 562(e) (42 U.S.C. 290ff-1(e)) is
13	amended by adding at the end the following new flush sen-
14	tence:
15	"The Secretary may waive one or more of the require-
16	ments of the preceding sentence (for a public entity that
17	is an Indian Tribe or tribal organization, or American
18	Samoa, Guam, the Marshall Islands, the Federated States
19	of Micronesia, the Commonwealth of the Northern Mari-
20	ana Islands, the Republic of Palau, or the United States
21	Virgin Islands) if the Secretary determines, after peer re-
22	view, that the system of care is family-centered and uses
23	the least restrictive environment that is clinically appro-
24	priate.".

# 1 TITLE II—SUBSTANCE ABUSE

2	SEC. 201. REPLACEMENT OF STATE PLAN PROGRAM WITH
3	PERFORMANCE PARTNERSHIPS.
4	(a) Repeals.—Section 1921 (42 U.S.C. 300x-21) is
5	repealed.
6	(b) Performance Partnership Framework.—
7	Subpart H of part B of title XIX (42 U.S.C. 300x-21
8	et seq.) (as amended by subsection (a)) is further amended
9	by inserting after the subpart heading the following new
10	sections:
11	"SEC. 1921. PERFORMANCE PARTNERSHIP GOALS AND OB-
12	JECTIVES.
13	"(a) GOALS.—It is the goal of this subpart for the
14	States and the Federal Government, working together in
15	a partnership—
16	"(1) to reduce the incidence and prevalence of
17	substance abuse and dependence;
18	"(2) to improve access to appropriate preven-
19	tion and treatment programs for targeted popu-
20	<del>lations;</del>
21	"(3) to enhance the effectiveness of substance
22	abuse prevention and treatment programs; and
23	"(4) to reduce the personal and community
24	risks for substance abuse.
25	"(b) Performance Partnership Objectives.—

1	"(1) ESTABLISHMENT.—Not later than October
2	1 of the fiscal year prior to the fiscal year in which
3	this section becomes effective as provided for in sec-
4	tion 601(e) of the SAMHSA Reauthorization, Flexi-
5	bility Enhancement, and Consolidation Act of 1995,
6	the Secretary, in consultation with the States, local
7	governments, Indian tribes, providers, and consum-
8	ers, and in accordance with paragraph (4), shall es-
9	tablish, and as necessary, periodically revise—
10	"(A) a list of performance partnership ob-
l 1	jectives to earry out the goals of this subpart;
12	and
13	"(B) a core set of not more than five of
14	such objectives that address substance abuse
15	problems of national significance.
16	"(2) Requirements.—Each performance part-
17	nership objective established under paragraph (1)
18	shall include—
19	"(A) a performance indicator;
20	"(B) the specific population being ad-
21	<del>dressed;</del>
22	"(C) a performance target; and
23	"(D) a date by which the target level is to
24	be achieved.

1	"(3) Principles.—In establishing the perform-
2	ance partnership objectives under paragraph (1), the
3	Secretary shall be guided by the following principles:
4	"(A) The objectives should be closely relat-
5	ed to the goals of this subpart, and be viewed
6	as important by and understandable to State
7	policymakers and the general public.
8	"(B) Objectives should be results-oriented,
9	including a suitable mix of outcome, process
10	and capacity measures.
11	"(C) In the case of an objective that has
12	suitable outcome measures, measurable
13	progress in achieving the objective should be ex-
14	pected over the period of the grant.
15	"(D) In the ease of an objective that has
16	suitable process or capacity measures, such ob-
17	jective should be demonstrably linked to the
18	achievement of, or demonstrate a potential to
19	achieve, a substance abuse treatment outcome.
20	"(E) Data to track the objective should, to
21	the extent practicable, be comparable for all
22	grant recipients, meet reasonable statistical
23	standards for quality, and be available in a
24	timely fashion, at appropriate periodicity, and
25	at reasonable east

1	"SEC. 1921A. STATE PERFORMANCE PARTNERSHIP PRO
2	POSAL.
3	"(a) In General.—To be eligible to receive a grant
4	under this subpart, a State shall, in accordance with this
5	section, prepare and submit to the Secretary a perform
6	ance partnership proposal in accordance with the provi
7	sions of this subpart.
8	"(b) ELEMENTS RELATED TO PERFORMANCE OB
9	JECTIVES.—A State proposal submitted under subsection
10	(a) shall contain—
11	"(1) a list of one or more objectives (derived
12	from the performance partnership objectives speci-
13	fied under section 1921(b)) toward which the State
14	will work and a performance target for each objec-
15	tive which the State will seek to achieve by the end
16	of the partnership period;
17	"(2) a rationale for the State's selection of ob
18	jectives, including any performance targets, and
19	timeframes;
20	"(3) a statement of the State's strategies for
21	achieving the objectives over the course of the gran-
22	period and evidence that the actions taken under a
23	partnership agreement will have an impact on the
24	objective;
25	"(4) a statement of the amount to be expended
26	to carry out each strategy; and

- 1 "(5) an assurance that the State will report annually on all core performance objectives established
  3 under section 1921(b)(1)(B) (regardless of whether
  4 it is working toward those objectives) and the specific objectives toward which the State will work
  5 under the performance partnership.
  7 A State may select an objective that is not an established
- 9 the State demonstrates to the Secretary that the objective relates to a significant health problem related to substance abuse in the State that would not otherwise be addressed appropriately. The Secretary may require that objectives developed by the State under this subsection be consistent with the requirements of paragraphs (2) and (3) of section 1921(b).
- "(e) Transition Provision.—A State may select

  objectives under this section which solely have process or

  eapacity measures until such time as data sets are deter
  mined by the Secretary to be readily available, sufficient,

  and relevant under section 601(a) of the SAMHSA Reau
  thorization, Flexibility Enhancement, and Consolidation

  Act of 1995, to make outcome measurements for objec
  tives developed by the Secretary.

## 1 "SEC. 1921B. FEDERAL-STATE PERFORMANCE PARTNER-

- 2 SHIP.
- 3 "(a) Negotiations Concerning State Pro-
- 4 POSAL.
- 5 "(1) Reasonable efforts to agree.—A
- 6 State submitting a proposal under section 1921A
- 7 and the Secretary shall make all reasonable efforts
- 8 to agree on a performance partnership pursuant to
- 9 which the State shall expend amounts received under
- a grant provided under this subpart.
- 11 "(2) Duties of Secretary.—In negotiations
- 12 conducted under paragraph (1) concerning the pro-
- 13 posal of a State, the Secretary shall consider the ex-
- tent to which the proposed objectives, performance
- 15 targets, timeframes, and strategies of the State are
- 16 likely to address appropriately the most significant
- 17 health problems associated with substance abuse (as
- 18 measured by applicable indicators) within the State.
- including the health problems associated with sub-
- stance abuse of vulnerable populations (such as
- 21 pregnant women, women with dependent children,
- 22 and erack-cocaine and injecting drug users).
- 23 "(b) Partnership Period.—The Secretary, in con-
- 24 sultation with a State receiving a grant under this sub-
- 25 part, shall set the duration of the partnership with the
- 26 State. Initial and subsequent partnership periods shall not

1	be less than 3 nor more than 5 years, except that the Sec-
2	retary may agree to a partnership period of less than 3
3	years where a State demonstrates to the satisfaction of
4	the Secretary that such shorter period is appropriate in
5	light of the particular circumstances of that State.
6	"(c) Assessment and Adjustment.
7	"(1) Assessments.—The Secretary shall annu-
8	ally assess—
9	"(A) the progress achieved nationally to-
10	ward each of the core objectives established
11	under section 1921(b)(1)(B); and
12	"(B) in consultation with each State, the
13	progress of the State toward each objective
14	agreed upon in the performance partnership
15	under subsection (a);
16	and make such assessment publicly available.
17	"(2) State assessments. In carrying out
18	paragraph (1)(B), the Secretary shall take into con-
19	sideration such qualitative assessments of perform-
20	ance as may be provided by each State pursuant to
21	section $1942(a)(3)$ .
22	"(3) Adjustments.—With respect to a per-
23	formance partnership under subsection (a), the Sec-
24	retary and the State may at any time in the course
25	of the partnership period renegotiate, and revise by

1	mutual agreement, the elements of the partnership
2	to account for new information or changed cir-
3	cumstances (including information or changes identi-
4	fied during assessments under paragraph (1)).
5	"(d) Grants to States; Use of Funds.—
6	"(1) Grants.—The Secretary shall award a
7	grant to each State that—
8	"(A) has reached a performance partner-
9	ship agreement with the Secretary under sub-
10	section (a); and
11	"(B) is earrying out activities in accord-
12	ance with the terms of such partnership;
13	in an amount that is equal to the allotment of the
14	State under section 1933. Grants shall be awarded
15	for each fiscal year for which the partnership is in
16	effect.
17	"(2) USE OF FUNDS.—Funds paid to a State
18	under a grant described in paragraph (1) may be
19	used by the State only for the purpose of carrying
20	out this subpart (including related data collection,
21	evaluation, planning, administration, and edu-
22	cational activities).".
23	(e) Additional General Provisions Concerning
24	PARTNERSHIPS. Section 1932 (42 U.S.C. 300x-32) is
25	amended—

1	(1) by striking the section heading;
2	(2) by striking "application" each place that
3	such term appears and inserting "proposal";
4	(3) in subsection (a)—
5	(A) in the subsection heading, by striking
6	"(a) In General." and all that follows
7	through paragraph (1) and inserting "(c) Addi-
8	TIONAL ELEMENTS.—A State proposal is in ac-
9	cordance with this subsection if—';
10	(B) in paragraph (3), by inserting "pro-
11	posed performance partnership and" before
12	"agreements";
13	(C) by striking paragraphs (5) and (6)
14	(D) in paragraph (7), by striking "includ-
15	ing the plan under paragraph (6)";
16	(E) by redesignating paragraphs (2)
17	through (4), and paragraph (7) as paragraphs
18	(1) through (4), respectively; and
19	(F) by transferring such subsection to sec-
20	tion 1921A (as added by subsection (b)) and in-
21	serting such subsection at the end of such sec-
22	tion; and
23	(4) in subsection (e)—
24	(A) by transferring such subsection to sec-
25	tion 1921B (as added by subsection (b));

1	(B) by inserting such subsection at the end
2	of such section 1921B; and
3	(C) by redesignating such subsection as
4	subsection (h); and
5	(5) by striking subsections (b) and (d).
6	(d) Definitions. Section 1934 (42 U.S.C. 300x
7	34) is amended—
8	(1) by redesignating paragraphs (3) through
9	(7) as paragraphs (5) through (9), respectively; and
10	(2) by inserting after paragraph (2), the follow-
11	ing new paragraphs:
12	"(3) The term 'performance indicator' means a
13	quantifiable characteristic used as a measurement.
14	"(4) The term 'performance target' means a
15	numerical value sought to be achieved within a spec-
16	ified period of time.".
17	(e) Conforming Amendments.—Title XIX is
18	amended—
19	(1) in the heading of subpart H of part B (42)
20	U.S.C. 300x-21 et seq.) by striking "Block" and
21	inserting "Performance Partnership";
22	(2) in subpart H of part B (42 U.S.C. 300x-
23	21 et seq.), by striking "section 1921" each place
24	that such appears and inserting "this subpart";

1	(3) in section $1933(a)(1)(A)$ $(42$ U.S.C. $300x$
2	33(a)(1)(A)), by inserting "(as in effect on January
3	l, 1995)" after "section 1918(a)"; and
4	(4) in subpart III of part B (42 U.S.C. 300x-
5	51 et seq.), by striking "section 1921" each place
6	that such appears and inserting "subpart H".
7	SEC. 202. ALLOCATIONS REGARDING PRIMARY PREVEN-
8	TION AND WOMENS PROGRAMS.
9	Section 1922 (42 U.S.C. 300x-22) is amended—
10	(1) by striking subsection (a);
11	(2) by redesignating subsections (b) and (c) as
12	subsections (a) and (b), respectively; and
13	(3) in subsection (b) (as so redesignated)—
14	(A) by striking paragraph (1) and insert-
15	ing the following new paragraph:
16	"(1) In General.—A funding agreement for a
17	grant under section 1921 for a fiscal year is that in
18	the case of a grant for fiscal year 1996, or a subse-
19	quent fiscal year, the State will expend not less than
20	an amount equal to the amount expended by the
21	State for fiscal year 1995 to increase the availability
22	of treatment services designed for pregnant women
23	and women with dependent children (either by estab-
24	lishing new programs or expanding the capacity of
25	existing programs)."; and

1	(B) by adding at the end thereof the fol-
2	lowing new paragraph:
3	"(4) Insufficient amounts. If the Sec-
4	retary determines that, as a result of a reduction in
5	the amount of Federal funds provided to State
6	under this subpart, a State will be unable to meet
7	the requirement of paragraph (1), the Secretary
8	shall permit the State to prorate amounts provided
9	under such paragraph based on the amount provided
10	to the State under this subpart in fiscal year
11	<del>1995.".</del>
12	SEC. 203. TUBERCULOSIS AND HIV.
13	(a) Tuberculosis.—Section 1924(a) (42 U.S.C.
14	300x-24(a)) is amended—
15	(1) in paragraph (1), to read as follows:
16	"(1) In General.—A funding agreement for a
17	grant under section 1921 is that the State involved
18	<del>will—</del>
19	"(A)(i) directly or through arrangements
20	with other public or nonprofit private entities,
21	ensure that activities are routinely carried out
22	under subparagraphs (A) and (B) of paragraph
23	<del>(2); and</del>
24	"(ii) ensure that arrangements are made
25	with other public or nonprofit private entities to

1	make available tuberculosis services, including
2	services under subparagraphs (C) and (D) of
3	paragraph (2), to each individual receiving
4	treatment for substance abuse under this sub-
5	part; and
6	"(B) require that any entity receiving
7	amounts from the grant for operating a pro-
8	gram of treatment for substance abuse, in the
9	ease of an individual in need of such treatment
10	who is denied admission to the program on the
11	basis of the lack of the capacity of the program
12	to admit the individual, will refer the individual
13	to another provider of tuberculosis services.
14	Nothing in subparagraph (A)(ii) shall be construed
15	to require that the State expend funds under this
16	Act to make available such services.";
17	(2) in paragraph (2)—
18	(A) by redesignating subparagraph (C) as
19	subparagraph (D); and
20	(B) in subparagraph (B), to read as fol-
21	<del>lows:</del>
22	"(B) tuberculosis testing, based on the risk
23	assessment conducted by the State, to deter-
24	mine whether the individual has contracted
25	such disease, such testing to be based on usual

1	standards as determined to be appropriate by
2	the State health director in cooperation with
3	State and local health agencies for tuberculosis
4	and with other relevant private nonprofit enti-
5	<del>ties;</del>
6	"(C) testing to determine the form of
7	treatment for the disease that is appropriate for
8	the individual; and"; and
9	(3) by adding at the end thereof the following
10	new paragraph:
11	"(3) Counseling.—For purposes of paragraph
12	(2), the term 'counseling' with respect to an individ-
13	<del>ual means—</del>
14	"(A) the provision of information to indi-
15	viduals or communities about risk factors for
16	tuberculosis; and
17	"(B) conducting tuberculosis risk assess-
18	ments to determine if tuberculosis testing is re-
19	quired.".
20	(b) HIV.—Section 1924(b) (42 U.S.C. 300x-24(b))
21	is amended—
22	(1) in paragraph (1)(A), insert "routinely"
23	after "projects to";
24	(2) in paragraph (2), by striking "10" and in-
25	serting "15" and

1	(3) in paragraph (7)(B)(ii), by inserting before
2	the semicolon the following: ", such testing to be
3	based on usual standards as determined to be appro-
4	priate by the State health director in cooperation
5	with State and local health agencies for HIV and
6	with other relevant private nonprofit entities; and";
7	(e) Expenditure.—Section 1924(e) (42 U.S.C.
8	300x-24(e)) is amended—
9	(1) in the subsection heading, by striking
10	"AGREEMENTS" and inserting "PARTNERSHIPS";
11	and
12	(2) in paragraph (1), by striking "agreements"
13	and inserting "partnerships".
14	(d) Payor of Last Resort. Section 1924 (42
15	U.S.C. 300x-24) is amended by adding at the end thereof
16	the following new subsection:
17	"(f) PAYOR OF LAST RESORT.—Amounts made avail-
18	able under this section may only be used as a payment
19	of last resort for tuberculosis and may not be used for
20	the medical evaluation and treatment of such disease."
21	SEC. 204. GROUP HOMES FOR RECOVERING SUBSTANCE
22	ABUSERS.
23	(a) In General. Section 1925 (42 U.S.C. 300x
24	25) is amended—

- (1) in subsection (a), by striking "For fiscal 1 2 year 1993" and all that follows through the colon 3 and inserting "Except as provided in subsection (d), 4 for each of the fiscal years 1996 through 1999, the 5 Secretary may make a grant under section 1921 6 only if the State involved has established and is pro-7 viding for the ongoing operation of a revolving fund 8 as follows:"; and
- 9 (2) by adding at the end thereof the following
  10 new subsection:
  - "(d) Nonapplication of Section.—
- 12 "(1) In GENERAL.—The requirements of this
  13 section shall not apply to a State that is not, as of
  14 the date of enactment of this subsection, utilizing a
  15 revolving fund under this section. Such a State shall
  16 not be required to maintain such a fund after such
  17 date of enactment.
  - "(2) USE OF FUNDS.—A State described in paragraph (1), may use amounts set aside under this section, or amounts remaining in the revolving fund, to provide other services under this part.".
- 22 (b) Repeal.—Section 1925 (42 U.S.C. 300x-25)
- 23 shall be repealed effective on September 30, 1998.

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1	SEC. 205. STATE SUBSTANCE ABUSE PREVENTION AND
2	TREATMENT PLANNING COUNCIL.
3	Subpart H of part B of title XIX is amended by in-
4	serting after section 1927 (42 U.S.C. 300x-27) the follow-
5	ing new section:
6	"SEC. 1927A. STATE SUBSTANCE ABUSE PREVENTION AND
7	TREATMENT PLANNING COUNCIL.
8	"(a) In General.—A funding agreement for a grant
9	under this subpart is that the State involved will establish
10	and maintain a State substance abuse prevention and
11	treatment planning council in accordance with the condi-
12	tions described in this section.
13	"(b) Duties.—A condition under subsection (a) for
14	a council is that the duties of the council are—
15	"(1) to review performance partnerships and re-
16	lated reports provided to the council by the State in-
17	volved and to submit to the State any recommenda-
18	tions of the council for modifications;
19	"(2) to serve as an advocate for individuals suf-
20	fering from substance abuse; and
21	"(3) to monitor, review, and evaluate, not less
22	than once each year, the allocation and adequacy of
23	substance abuse prevention and treatment services
24	within the State.
25	"(c) Membership.—

1	"(1) In General.—A condition under sub-
2	section (a) for a council is that the council be com-
3	posed of residents of the State, including representa-
4	tives of—
5	"(A) the principal State agencies with re-
6	spect to—
7	"(i) substance abuse prevention and
8	treatment, education, vocational rehabilita-
9	tion, eriminal justice, housing, and social
10	services; and
11	"(ii) the development of the plan sub-
12	mitted pursuant to title XIX of the Social
13	Security Act;
14	"(B) public and private entities concerned
15	with the need, planning, operation, funding, and
16	use of substance abuse prevention and treat-
17	ment services and related support services;
18	"(C) individuals who are receiving (or have
19	received) substance abuse prevention or treat-
20	ment services; and
21	"(D) the families of such individuals.
22	"(2) Limitation on state employees and
23	PROVIDERS.—A condition under subsection (a) for a
24	council is that not less that 50 percent of the mem-
25	bors of the council are individuals who are not State

- 1 employees or providers of substance abuse preven-2 tion or treatment services. 3 "(d) REVIEW OF STATE PERFORMANCE PARTNER-SHIP BY PLANNING COUNCIL.—The Secretary may make 4 5 a grant under this subpart only if— 6 "(1) the performance partnership submitted 7 under this subpart with respect to the grant (and 8 the State's report under section 1942(a) concerning 9 the preceding fiscal year) has been reviewed by the 10 council; and 11 "(2) the State submits to the Secretary any 12 recommendations received by the State from the 13 council for modifications to the performance partner-14 ship (without regard to whether the State has made 15 the recommended modifications). 16 "(e) WAIVERS.—In the case of a State that has other existing processes for complying with the duties required under subsection (b), the Secretary, upon the request of 18 the State, may waive the requirements of such subsection. Such waiver shall be deemed to be granted if the Secretary 21 fails to act within 90 days of the date of the submission of such a request.".
- 23 **SEC. 206. ADDITIONAL AGREEMENTS.**
- 24 Section 1928 (42 U.S.C. 300x-28) is amended—
- 25 (1) by striking subsections (a) and (d); and

1	(2) by redesignating subsections (b) and (c) as
2	subsections (a) and (b), respectively.
3	SEC. 207. STATE OPPORTUNITY TO CORRECT OR MITIGATE
4	FAILURE TO MAINTAIN EFFORT.
5	Section $1930(e)(1)$ (42 U.S.C. $300x-30(e)(1)$ ) is
6	amended by striking the second sentence and inserting the
7	following new sentences: "If the Secretary determines that
8	a State has failed to maintain such compliance, the Sec-
9	retary may permit the State, not later than 1 year after
10	notification, to correct or mitigate the noncompliance. If
11	the State does not earry out a correction or mitigation
12	as specified by the Secretary (or if the Secretary decided
13	it was not appropriate to provide that opportunity), the
14	Secretary shall reduce the amount of the grant under this
15	subpart for the State for the current fiscal year by an
16	amount equal to the amount constituting such failure.".
17	SEC. 208. FUNDING FOR ORGANIZATIONS THAT ARE FOR-
18	PROFIT.
19	Section 1931(a) (42 U.S.C. 300x-31(a)) is amend-
20	<del>ed</del>
21	(1) in paragraph (1)(E), by inserting before the
22	semicolon the following: ", unless the State deter-
23	mines that it is appropriate and beneficial for a for-
24	profit private entity to receive assistance to facilitate
25	the integration of the State Medicaid program or

1	substance abuse managed care programs under title
2	XIX of the Social Security Act)"; and
3	(2) by adding at the end thereof the following
4	new paragraph:
5	"(4) For-profit restrictions.—For pur-
6	poses of providing assistance to a for-profit entity
7	under paragraph (1)(E), the State shall ensure
8	<del>that</del> —
9	"(A) such an entity is certified or licensed
10	by the State;
11	"(B) all profits earned by such entity as a
12	result of assistance provided under this subpart
13	are redistributed by the entity to the commu-
14	nity served by the entity for the provision of
15	treatment or prevention services; and
16	"(C) in the case of an entity that is a pri-
17	vate for-profit entity, such entity is the only
18	available provider of substance abuse treatment
19	in the area served.".
20	SEC. 209. AUTHORIZATION OF APPROPRIATIONS.
21	Section 1935(a) (42 U.S.C. 300x-35(a)) is amended
22	by striking "\$1,500,000,000" and all that follows through
23	the end thereof and inserting "\$1,300,000,000 for fiscal
24	year 1996, and such sums as may be necessary for each
25	of the fiscal years 1997 through 1999."

1	SEC. 210. DATA COLLECTION, TECHNICAL ASSISTANCE,
2	AND EVALUATIONS.
3	Section 1935(b) (42 U.S.C. 300x-35(b)) is amended
4	to read as follows:
5	"(b) RESERVED FUNDS.—
6	"(1) IN GENERAL.—The Secretary shall reserve
7	5 percent of the amounts appropriated for a fiscal
8	year under subsection (a)—
9	"(A) to earry out sections 505 (providing
10	for data collection) and 1948(a) (providing for
11	technical assistance to States) with respect to
12	substance abuse;
13	"(B) to earry out section 515(d) (providing
14	for a performance substance abuse data base);
15	and
16	"(C) to conduct evaluations concerning
17	programs supported under this subpart.
18	The Secretary may carry out activities funded pur-
19	suant to this paragraph directly, or through grants,
20	contracts, or cooperative agreements.
21	"(2) Data collection infrastructure.—In
22	earrying out this subsection, the Secretary shall
23	make available grants and contracts to States for
24	the development and strengthening of State core ca-
25	pacity (including infrastructure) for data collection
26	and evaluation.

1	"(3) Prevention.—Of the amounts reserved
2	under paragraph (1) for a fiscal year, the Secretary
3	shall ensure that 20 percent of such amounts shall
4	be used for activities related to prevention.".
5	SEC. 211. PRIORITY SUBSTANCE ABUSE PREVENTION AND
6	TREATMENT NEEDS OF REGIONAL AND NA-
7	TIONAL SIGNIFICANCE.
8	Section 510 (42 U.S.C. 290bb-3) is amended to read
9	as follows:
10	"SEC. 510. PRIORITY SUBSTANCE ABUSE PREVENTION AND
11	TREATMENT NEEDS OF REGIONAL AND NA-
12	TIONAL SIGNIFICANCE.
13	"(a) Grants.—The Secretary shall address the sub-
14	stance abuse health needs of regional and national signifi-
15	eance through—
16	"(1) the provision of
17	"(A) training; or
18	"(B) demonstration projects for prevention
19	and treatment; and
20	"(2) the conduct or support of evaluations of
21	such demonstration projects.
22	In earrying out this section, the Secretary may make
23	grants to, or enter into cooperative agreements with,
24	States, political subdivisions of States, Indian Tribes and

- 1 tribal organizations, and public or private nonprofit enti-
- 2 ties.

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- 3 "(b) Substance Abuse Health Needs.—Sub-
- 4 stance abuse health needs of regional and national signifi-
- 5 cance shall include prevention activities and may include
- 6 managed care, systems and partnerships, elient-oriented
- 7 services, and other priority populations (including preg-
- 8 nant substance abusers, women with dependent children,
- 9 and crack cocaine and injecting drug users) and conditions
- 10 as determined appropriate by the Secretary.

## 11 "(c) REQUIREMENTS.—

- "(1) In GENERAL.—Recipients of grants, cooperative agreements, and contracts under this section shall comply with information and application requirements determined appropriate by the Secretary.
  - "(2) PAYMENTS.—With respect to a grant, cooperative agreement, or contract awarded under this
    section, the period during which payments under
    such award are made to the recipient may not exeeed 5 years. The provision of such payments shall
    be subject to annual approval by the Secretary and
    the availability of appropriations for the fiscal year
    involved. This paragraph may not be construed as
    limiting the number of awards under the program
    involved that may be made to an entity.

"(3) MATCHING FUNDS.—The Secretary may require that an entity that applies for a grant, contract, or cooperative agreement under this section provide non-Federal matching funds, as determined appropriate by the Secretary, to ensure the institutional commitment of the entity to the projects funded under the grant, contract, or cooperative agreement. Such non-Federal matching funds may be provided directly or through donations from public or private entities and may be in eash or in kind, fairly evaluated, including plant, equipment, or services.

"(4) MAINTENANCE OF EFFORT.—With respect to activities for which a grant, cooperative agreement, or contract is awarded under this section, the Secretary may require the recipient to agree to maintain expenditures of non-Federal amounts for such activities at a level that is not less than the level of such expenditures maintained by the entity for such fiscal year preceding the fiscal year for which the entity receives such a grant, contract, or cooperative agreement.

"(5) APPLICATION AND FUNDING AGREE-MENTS.

24 "(A) APPLICATION.—An application for a
25 grant, contract, or cooperative agreement under

1	this section shall ensure that amounts received
2	under such grant, contract, or agreement will
3	not be expended—
4	"(i) to provide inpatient services;
5	"(ii) to make eash payments to in-
6	tended recipients of services;
7	"(iii) to purchase or improve land,
8	purchase, construct, or permanently im-
9	prove (other than minor remodeling) any
10	building or other facility, or purchase
11	major medical equipment; or
12	"(iv) to satisfy any requirement for
13	the expenditure of non-Federal funds as a
14	condition for the receipt of Federal funds.
15	"(B) Funding Agreement.—A funding
16	agreement for a grant, contract, or cooperative
17	agreement under this section is that the entity
18	involved will not expend more than 10 percent
19	of the grant, contract, or agreement for admin-
20	istrative expenses with respect to the grant,
21	contract, or agreement.
22	"(d) REDUCTION IN PAYMENTS.—The Secretary, at
23	the request of a State or a political subdivision of a State,
24	or a public or private nonprofit entity, may reduce the
25	amount of payments under this section by—

1 "(1) the fair market value of any supplies or
2 equipment furnished the State, political subdivision
3 of the State, or a public or private nonprofit entity;
4 and

"(2) the amount of the pay, allowances, and travel expenses of any officer, fellow, or employee of the Government when detailed to the State, a political subdivision of the State, or a public or private non-profit entity, and the amount of any other costs incurred in connection with the detail of such officer, fellow, or employee;

when the furnishing of such officer, fellow, or employee is for the convenience of and at the request of the State, political subdivision of the State, or public or private non-profit entity and for the purpose of conducting activities described in this section. The amount by which any payment is so reduced shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment or in detailing the personnel, on which the reduction of the payment is based, and the amount shall be deemed to have been paid to the State, political subdivision of the State, or public or private non-profit entity.

"(e) EVALUATION.—The Secretary shall evaluate

each project carried out under section (a)(1)(B) and shall

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- 1 disseminate the findings with respect to each such evalua-
- 2 tion to appropriate public and private entities.
- 3 "(f) Information and Education.—
- 4 "(1) IN GENERAL.—The Secretary shall estab-5 lish information and education programs to dissemi-
- 6 nate the findings of the research, demonstration,
- 7 and training programs under this section to the gen-
- 8 eral public and to health professionals.
- 9 "(2) DISSEMINATION.—The Secretary shall
- take such action as may be necessary to insure that
- all methods of dissemination and exchange of infor-
- 12 mation are maintained between the Substance Abuse
- and Mental Health Services Administration and the
- 14 public, and the Administration and other scientific
- organizations, both nationally and internationally.
- 16 "(g) AUTHORIZATION OF APPROPRIATIONS.—There
- 17 are authorized to be appropriated to carry out this section,
- 18 \$352,000,000 for fiscal year 1996, and such sums as may
- 19 be necessary for each of the fiscal years 1997 through
- 20 1999."
- 21 **SEC. 212. REPEALS.**
- 22 The following provisions of the Public Health Service
- 23 Act are repealed:

1	(1) Section 508 (42 U.S.C. 290bb-1) relating
2	to residential treatment programs for pregnant
3	women.
4	(2) Section 509 (42 U.S.C. 290bb-2) relating
5	to outpatient treatment programs for pregnant and
6	postpartum women.
7	(3) Section 511 (42 U.S.C. 290bb-4) relating
8	to substance abuse treatment in State and local
9	eriminal justice systems.
10	(4) Section 512 (42 U.S.C. 290bb-5) relating
11	to training in the provision of treatment services.
12	(5) Paragraph (5) of section 515(b) (42 U.S.C.
13	290bb-21(b)(5)) relating to the activities of the Of-
14	fice of Substance Abuse Prevention. Paragraphs (6)
15	through (10) of such section shall be redesignated as
16	paragraphs (5) through (9), respectively.
17	(6) Section 516 (42 U.S.C. 290bb-22) relating
18	to community prevention programs.
19	(7) Section 517 (42 U.S.C. 290bb-23) relating
20	to high risk youth demonstrations.
21	(8) Section 518 (42 U.S.C. 290bb-24) relating
22	to employee assistance programs.
23	(9) Section 571 (42 U.S.C. 290gg) relating to
24	the National Capital Area Demonstration Program.

1	(10) Section 1943(a)(1) (42 U.S.C. 300x-
2	53(a)(1)) relating to peer review.
3	(11) Section 1971 (42 U.S.C. 300y) relating to
4	categorical grants to States.
5	TITLE III—GENERAL
6	<b>PROVISIONS</b>
7	SEC. 301. REPORTING BY STATES ON PERFORMANCE.
8	Section 1942(a) (42 U.S.C. 300x-52(a)) is amend-
9	e <del>d</del>
10	(1) in paragraph (1), by striking "and" at the
11	end thereof;
12	(2) in paragraph (2), by striking the period and
13	inserting "; and"; and
14	(3) by adding at the end thereof the following:
15	"(3) the performance of the State in relation to
16	the objectives specified or agreed upon under sec-
17	tions 1912(b)(5) or section 1921A(b)(5), as applica-
18	ble.".
19	SEC. 302. ON SITE PERFORMANCE REVIEWS.
20	Section $1945(g)(1)$ (42 U.S.C. $300x-55(g)(1)$ ) is
21	amended by striking "in fiscal year 1994" and all that
22	follows through the end thereof and inserting ", not more
23	frequently than once every 3 nor less frequently than once
24	every 5 years, conduct an on-site performance review of
25	a State's activities supported under this part."

1	SEC. 303. ADDITIONAL YEAR FOR OBLIGATION BY STATE.
2	Section 1952(a) (42 U.S.C. 300x-62(a)) is amended
3	by striking "until the end" and all that follows through
4	the end thereof and inserting "and expenditure until the
5	end of the fiscal year following the fiscal year for which
6	the amounts were paid.".
7	SEC. 304. DEFINITIONS.
8	Section 1954(b) (42 U.S.C. 300x-64(B)) is amended
9	by adding the following new paragraphs at the end there-
10	<del>of:</del>
11	"(5) The term 'performance indicator' means a
12	quantifiable characteristic used as a measurement.
13	"(6) The term 'performance target' means a
14	numerical value sought to be achieved within a spec-
15	ified period of time.".
16	SEC. 305. REPEAL OF OBSOLETE PROVISIONS CONCERNING
17	ALLOCATIONS.
18	(a) In General.—Section 1933 (42 U.S.C. 300x—
19	33) is amended—
20	(1) by striking subsection (b);
21	(2) in subsection $(e)(2)$ —
22	(A) in subparagraph (A), by adding "and"
23	at the end thereof;
24	(B) in subparagraph (B), by striking ";
25	and" at the end of subparagraph (B) and in-
26	serting a period; and

1	(C) by striking subparagraph (C); and
2	(3) by redesignating subsections (c) and (d) as
3	subsection (b) and (c), respectively.
4	(b) Conforming Amendment.—Section 1923(h)
5	(as so redesignated by section 201(c)(4)(A)) is amended
6	by striking "section 1933(e)(2)(B)" and inserting "section
7	1933(b)(2)(B)".
8	SEC. 306. REPEAL OF OBSOLETE ADDICT REFERRAL PROVI-
9	SIONS.
10	(a) Repeal of Obsolete Public Health Serv-
11	ICE ACT AUTHORITIES.— Part E of title III (42 U.S.C.
12	257 et seq.) is repealed.
13	(b) Repeal of Obsolete NARA Authorities.—
14	Titles III and IV of the Narcotic Addict Rehabilitation
15	Act of 1966 are repealed.
16	(c) Repeal of Obsolete Title 28 Authori-
17	TIES.—
18	(1) In General. Chapter 175 of title 28,
19	United States Code, is repealed.
20	(2) Table of contents.—The table of con-
21	tents to part VI of title 28, United States Code, is
22	amended by striking the items relating to chapter
12	175

## 1 SEC. 307. REGULATIONS.

- 2 Section 1949 (42 U.S.C. 300x-59) is amended to
- 3 read as follows:
- 4 "SEC. 1949. REGULATIONS.
- 5 "The Secretary shall promulgate regulations as the
- 6 Secretary determines are necessary to carry out this
- 7 part.".
- 8 SEC. 308. ADVISORY COUNCILS.
- 9 Section 502(b)(3)(A) (42 U.S.C. 290aa–1(b)(3)(A))
- 10 is amended by inserting "and leading representatives from
- 11 State and local governments" after "sciences".
- 12 SEC. 309. REPORT ON DEVELOPMENT OF PARTNERSHIPS
- 13 **AND USE OF GRANTS.**
- Not later than January 1, 1999, the Secretary of
- 15 Health and Human Services shall prepare and submit to
- 16 the appropriate committees of Congress a report that con-
- 17 tains—
- 18 (1) information concerning the adequacy of out-
- 19 come data sets to measure State performance with
- 20 respect to amounts received by the State under sub-
- 21 parts I and H of part B of title XIX of the Public
- Health Service Act (as amended by this Act);
- 23 (2) information concerning the range and types
- of performance partnership objectives and measures
- 25 utilized by the State under such subparts; and

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1	(3) a plan, if determined by the Secretary to be
2	feasible after considering information received under
3	such subparts, for the implementation of incentive
4	based performance partnership grants that shall in
5	clude a disclosure of public comments.
6	TITLE IV—REAUTHORIZATION
7	OF PROTECTION AND ADVO
8	CACY FOR MENTALLY ILL IN-
9	<b>DIVIDUALS ACT OF 1986</b>
10	SEC. 401. SHORT TITLE.
11	The first section of the Protection and Advocacy for
12	Mentally III Individuals Act of 1986 (Public Law 99–319)
13	is amended to read as follows:
14	"SECTION 1. SHORT TITLE.
15	"This Act may be cited as the 'Protection and Advo-
16	eacy for Individuals With Mental Illnesses Act'.".
17	SEC. 402. REAUTHORIZATION.
18	Section 117 of the Protection and Advocacy for Indi
19	viduals With Mental Illnesses Act (as amended by section
20	401) (42 U.S.C. 10827) is amended by striking "1995"
21	and inserting "1999".
22	SEC. 403. ALLOTMENT FORMULA.

## 22 SEC. 403. ALLUIMENI FURMULA.

- 23 (a) MINIMUM AMOUNT.—Section 112(a)(2) of the
- 24 Protection and Advocacy for Mentally III Individuals Act

- 1 (as amended by section 401) (42 U.S.C. 10822(a)(2)) is
- 2 amended to read as follows:
- 3 "(2)(A) The minimum amount of the allotment of an
- 4 eligible system shall be the product (rounded to the near-
- 5 est \$100) of the appropriate base amount specified in sub-
- 6 paragraph (B) and the factor specified in subparagraph
- 7 <del>(C).</del>
- 8 "(B) For purposes of subparagraph (A), the appro-
- 9 priate base amount—
- 10 "(i) for American Samoa, Guam, the Marshall
- 11 Islands, the Federated States of Micronesia, the
- 12 Commonwealth of the Northern Mariana Islands,
- the Republic of Palau, and the Virgin Islands, is
- 14 \$139,300; and
- 15 "(ii) for any other State, is \$260,000.
- 16 "(C) For purposes of subparagraph (A), the factor
- 17 specified in this subparagraph is the ratio of the amount
- 18 appropriated under section 117 for the fiscal year for
- 19 which the allotment is being made to the amount appro-
- 20 priation under such section for fiscal year 1995.".
- 21 (b) Technical Amendments.—Section 112(a) of
- 22 such Act (42 U.S.C. 10822(a)) is amended—
- 23 (1) in paragraph (1)(B), by striking "Trust
- 24 Territory of the Pacific Islands" and inserting

1	"Marshall Islands, the Federated States of Microne-
2	sia, the Republic of Palau"; and
3	(2) by striking paragraph (3).
4	TITLE V—REAUTHORIZATION OF
5	<b>CERTAIN INSTITUTES</b>
6	SEC. 501. REAUTHORIZATION OF CERTAIN INSTITUTES.
7	(a) National Institute on Alcohol Abuse and
8	Alcoholism.—Section $464H(d)(1)$ $(42$ U.S.C.
9	$285\mathrm{m(d)(1)})$ is amended by striking "for fiscal year 1994"
10	and inserting "for each of the fiscal years 1994 through
11	<del>1996".</del>
12	(b) NATIONAL INSTITUTE ON DRUG ABUSE.—
13	(1) In General.—Section 464L(d)(1) (42
14	U.S.C. 2850(d)(1)) is amended by striking "for fis-
15	eal year 1994" and inserting "for each of the fiscal
16	<del>years 1995 and 1996".</del>
17	(2) Medication Development Program.—
18	Section 464P(e) (42 U.S.C. 2850–4(e)) is amended
19	by striking "and \$95,000,000 for fiscal year 1994"
20	and inserting "\$95,000,000 for fiscal year 1994,
21	and such as may be necessary for each of the fiscal
22	years 1995 and 1996".
23	(e) National Institute of Mental Health.—
24	Section 464R(f)(1) (42 U.S.C. 285p(f)(1)) is amended by

1	striking "for fiscal year 1994" and inserting "for each of
2	the fiscal years 1994 through 1996".
3	TITLE VI—TRANSITION PROVI-
4	SIONS AND EFFECTIVE DATES
5	SEC. 601. TRANSITION PROVISIONS AND EFFECTIVE DATES.
6	(a) Objective and Data Development Proc-
7	<del>ESS.</del>
8	(1) In General.—The Secretary of Health and
9	Human Services (hereafter referred to in this section
10	as the "Secretary") shall develop and implement a
11	<del>process</del> to—
12	(A) establish a model set of mental health
13	and substance abuse prevention and treatment
14	objectives that, to the extent practicable, meet
15	the requirements of sections 1911 and 1921 of
16	the Public Health Service Act (as amended by
17	sections 101(b) and 201(b) of this Act);
18	(B) determine the availability, relevancy,
19	and sufficiency of data necessary to measure
20	capacity, process, or outcomes with respect to
21	such model set of objectives; and
22	(C) establish a plan to improve the avail-
23	ability, relevancy, and sufficiency of data if the
24	data sets that are available at the time such

1	process is being developed are determined to be
2	inadequate.

- (2) Consultation. In earrying out paragraph (1), the Secretary shall consult with representatives from State and local governments, Indian Tribes, mental health and substance abuse service providers, consumers and families, researchers, and other individuals who have technical relevancy with respect to the development of the process under such paragraph.
- (3) IMPLEMENTATION.—In implementing the process under paragraph (1), the Secretary may award a contract to an independent entity for—
  - (A) the conduct of a technical analysis of the availability, relevancy, and sufficiency of data sets existing on the date on which such contract is awarded; and
  - (B) the development of a data strategy if such existing data sets are determined to be insufficient to measure the model set of mental health and substance abuse prevention and treatment objectives developed under paragraph (1)(A).
- 24 (b) GENERAL EFFECTIVE DATE. Except as pro-25 vided in subsection (c), this Act shall take effect on the

1 date of enactment of this Act or October 1, 1995, which-

2 ever occurs later.

## (c) EXCEPTIONS.—

- (1) PERFORMANCE PARTNERSHIPS.—The amendments made by sections 101 and 201 shall take effect on the date on which the Secretary of Health and Human Services determines that the model set of objectives and the data sets described in subsection (a) have been developed and are sufficient and available to measure process/capacity or outcomes, but in no event earlier than October 1, 1997.
  - (2) PREPARATION AND NEGOTIATION.—The Secretary of Health and Human Services may consult with the States, and others, in preparing for the implementation of the performance partnership grants under the amendments made by this Act. In no event shall such Secretary require a State to begin the negotiation process for the implementation of a performance partnership grant for a fiscal year prior to fiscal year 1998.
  - (3) SPECIFIC EFFECTIVE DATES.—Sections 103 and 207 (relating to maintenance of effort), sections 104 and 208 (relating to for-profit eligibility), section 203 (relating to tuberculosis and HIV), section

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204 (relating to group home revolving loan funds), and section 303 (relating to the additional year for obligation), shall become effective as if enacted on October 1, 1994.

## (4) Mandatory exemptions.—

(A) IN GENERAL.—Effective on the date on which the Secretary of Health and Human Services determines that the objectives and data described in subsection (a) have been developed and are relevant, sufficient, and available to measure performance in each State, a State shall be exempt from the requirements described in subparagraph (C). If the Secretary determines, using data with respect to the intended purpose of any such requirement, that the State has a significant need to improve the outcomes related to the intended purposes of any such requirements, the Secretary may require the State to utilize an objective that addresses the intended purpose of any such requirement.

(B) Consultation process.—Until the Secretary makes the determination described in subparagraph (A), a State shall—

1	(i) comply with the requirements de-
2	scribed in subparagraph (C); or
3	(ii) select objectives to be measured
4	that would address the intended purpose of
5	each of such requirements.
6	(C) REQUIREMENTS.—The requirements
7	described in this subparagraph are the require-
8	ments contained in the following:
9	(i) Section 1922(b) (42 U.S.C. 300x-
10	21) (as amended by this Act), relating to
11	minimum allocation of funds for services to
12	pregnant women and women with depend-
13	ent children.
14	(ii) Section 1923 (42 U.S.C. 300x-
15	23), relating to whether injecting drug
16	users have timely access to treatment upor
17	<del>request.</del>
18	(iii) Section 1924 (42 U.S.C. 300x-
19	24), relating to requirements related to tu-
20	berculosis and HIV.
21	(iv) Section 1926 (42 U.S.C. 300x-
22	26), relating to curtailing the sale of to-
23	bacco products to persons under the age of
24	<del>18.</del>

1	(v) Section 1927 (42 U.S.C. 300x-
2	27), relating to preference in the admission
3	of pregnant women for treatment.
4	(vi) Section 1929 (42 U.S.C. 300x-
5	29), relating to the needs assessments.
6	(d) Existing Projects.—A project that receives
7	support for fiscal year 1996, 1997, 1998, or 1999 under
8	section 506 or 520A of the Public Health Service Act (as
9	amended by section 108 or 109(2), respectively), and that
10	previously received support under title V of the Public
11	Health Service Act for fiscal year 1995, shall be subject
12	to the requirements to which that project was subject to
13	for fiscal year 1995 unless the Secretary of Health and
14	Human Services determines otherwise.
15	(e) Waivers.—Notwithstanding any other provision
16	of this Act, or an amendment made by this Act, the Sec-
17	retary of Health and Human Services may grant a State
18	a waiver to permit such State to operate a performance
19	partnership program prior to fiscal year 1998. Such pro-
20	grams shall be operated under the requirements described
21	in the amendments made by sections 101 and 201 and
22	shall be funded using amounts appropriated for the fiscal
23	year involved under part B of title XIX of the Public
24	Health Service Act.

## SECTION 1. SHORT TITLE, REFERENCES, AND TABLE OF

- 2 **CONTENTS.**
- 3 (a) Short Title.—This Act may be cited as the
- 4 "SAMHSA Reauthorization, Flexibility Enhancement, and
- 5 Consolidation Act of 1995".
- 6 (b) References in Act.—Except as otherwise ex-
- 7 pressly provided, whenever in this Act an amendment or
- 8 repeal is expressed in terms of an amendment to, or repeal
- 9 of, a section or other provision, the reference shall be consid-
- 10 ered to be made to a section or other provision of the Public
- 11 Health Service Act (42 U.S.C. 201 et seq.).
- 12 (c) Table of Contents.—The table of contents for
- 13 this Act is as follows:
  - Sec. 1. Short title, references, and table of contents.

#### TITLE I—MENTAL HEALTH

- Sec. 101. Replacement of State plan program with performance partnerships.
- Sec. 102. Review by planning council of State's report.
- Sec. 103. State opportunity to correct or mitigate failure to maintain effort.
- Sec. 104. Funding for organizations that are for-profit.
- Sec. 105. Authorization of appropriation.
- Sec. 106. Data collection, technical assistance, and evaluations.
- Sec. 107. Projects for assistance in transition from homelessness.
- Sec. 108. Priority mental health needs of regional and national significance.
- Sec. 109. Repeals.
- Sec. 110. Comprehensive community services for children with a serious emotional disturbance.

## TITLE II—SUBSTANCE ABUSE

- Sec. 201. Replacement of State plan program with performance partnerships.
- Sec. 202. Allocations regarding primary prevention and womens programs.
- Sec. 203. Tuberculosis and HIV.
- Sec. 204. Group homes for recovering substance abusers.
- Sec. 205. Sale of tobacco products to certain individuals.
- Sec. 206. Additional agreements.
- Sec. 207. State opportunity to correct or mitigate failure to maintain effort.
- Sec. 208. Funding for organizations that are for-profit.
- Sec. 209. Authorization of appropriations.
- Sec. 210. Data collection, technical assistance, and evaluations.

- Sec. 211. Priority substance abuse treatment needs of regional and national significance.
- Sec. 212. Repeals.
- Sec. 213. Priority substance abuse prevention needs of regional and national significance.

#### TITLE III—GENERAL PROVISIONS

- Sec. 301. Reporting by States on performance.
- Sec. 302. Additional requirements.
- Sec. 303. Onsite performance reviews.
- Sec. 304. Additional year for obligation by State.
- Sec. 305. Definitions.
- Sec. 306. Repeal of obsolete provisions concerning allocations.
- Sec. 307. Repeal of obsolete addict referral provisions.
- Sec. 308. Regulations.
- Sec. 309. Advisory councils.
- Sec. 310. Report on development of partnerships and use of grants.
- Sec. 311. Authority to use portion of grant for other purposes.

## TITLE IV—REAUTHORIZATION OF PROTECTION AND ADVOCACY FOR MENTALLY ILL INDIVIDUALS ACT OF 1986

- Sec. 401. Short title.
- Sec. 402. Reauthorization.
- Sec. 403. Allotment formula.

#### TITLE V—REAUTHORIZATION OF CERTAIN INSTITUTES

Sec. 501. Reauthorization of certain institutes.

#### TITLE VI—TRANSITION PROVISIONS AND EFFECTIVE DATES

Sec. 601. Transition provisions and effective dates.

# 1 TITLE I—MENTAL HEALTH

- 2 SEC. 101. REPLACEMENT OF STATE PLAN PROGRAM WITH
- 3 **PERFORMANCE PARTNERSHIPS.**
- 4 (a) Elimination of State Plan Program Require-
- 5 MENTS.—Subpart I of Part B of title XIX (42 U.S.C. 300x-
- 6 1 et seq.) is amended by repealing sections 1911, 1912, and
- 7 1913.
- 8 (b) Performance Partnership Framework.—Sub-
- 9 part I of Part B of title XIX (as amended by subsection

1	(a) is further amended by inserting after the subpart head-
2	ing the following new sections:
3	"SEC. 1911. PERFORMANCE PARTNERSHIP GOALS AND
4	OBJECTIVES.
5	"(a) Goals.—
6	"(1) In general.—It is the goal of this subpart
7	for the States and the Federal Government, working
8	together in a partnership, to improve the quality of
9	life of adults with a serious mental illness and chil-
10	dren with a serious emotional disturbance, and to im-
11	prove the overall mental health of United States citi-
12	zens, by—
13	"(A) promoting access to comprehensive
14	community mental health services for adults
15	with a serious mental illness and children with
16	a serious emotional disturbance; and
17	"(B) increasing the development of systems
18	of integrated comprehensive community based
19	services for adults with a serious mental illness
20	and children with a serious emotional disturb-
21	ance.
22	"(2) Systems of integrated comprehensive
23	COMMUNITY BASED SERVICES.—As used in paragraph
24	(1)(B), the term 'systems of integrated comprehensive
25	community based services' means integrated systems

of care that would enable children and adults to receive care appropriate for their multiple needs. With respect to children, such integrated systems of care shall ensure the provision, in a collaborative manner, of mental health, substance abuse, education and special education, juvenile justice, health, and child welfare services. With respect to adults, such integrated systems of care shall ensure the provision, in a collaborative manner, of mental health, vocational rehabilitation, housing, criminal justice, health, and substance abuse services.

## "(b) Performance Partnership Objectives.—

"(1) ESTABLISHMENT.—Not later than October 1 of the fiscal year prior to the fiscal year in which this section becomes effective as provided for in section 601(c) of the SAMHSA Reauthorization, Flexibility Enhancement, and Consolidation Act of 1995, the Secretary, in consultation with the States, local governments, Indian tribes, health care providers, consumers, and families, shall establish, and as necessary, periodically revise—

"(A) a list of performance partnership objectives to carry out the goals of this subpart,
and

1	"(B) a core set of not more than five of such
2	objectives that address mental health problems of
3	$national\ significance.$
4	"(2) Requirements.—Each performance part-
5	nership objective established under paragraph (1)
6	shall include—
7	"(A) a performance indicator;
8	"(B) the specific population being ad-
9	dressed;
10	"(C) a performance target; and
11	"(D) a date by which the target level is to
12	be achieved.
13	"(3) Principles.—In establishing the perform-
14	ance partnership objectives under paragraph (1), the
15	Secretary shall be guided by the following principles:
16	"(A) The objectives should be closely related
17	to the goals of this subpart, and be viewed as im-
18	portant by and understandable to State policy-
19	makers and the general public.
20	"(B) Objectives should be results-oriented,
21	including a suitable mix of outcome, process and
22	capacity measures.
23	"(C) In the case of an objective that has
24	suitable outcome measures, measurable progress

in achieving the objective should be expected over
the period of the grant.

"(D) In the case of an objective that has suitable process or capacity measures, such objective should be demonstrably linked to the achievement of, or demonstrate the potential to achieve, a mental health outcome.

"(E) Data to track the objective should, to the extent practicable, be comparable for all grant recipients, meet reasonable statistical standards for quality, and be available in a timely fashion, at appropriate periodicity, and at reasonable cost.

## "(c) Definitions.—

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"(1) ESTABLISHMENT BY SECRETARY OF DEFINITIONS; DISSEMINATION.—For purposes of this subpart, the definitions established on May 20, 1993, for the terms 'adults with a serious mental illness' and 'children with a serious emotional disturbance' shall apply unless such definitions are revised by the Secretary. The Secretary shall disseminate the definitions to the States.

"(2) STANDARDIZED METHODS.—The Secretary shall establish standardized methods for applying the definitions in paragraph (1). A funding agreement

1	for a grant under this subpart for the State is that
2	the State will utilize such methods in making such es-
3	timates.
4	"(3) Date certain for compliance by sec-
5	RETARY.—Not later than 90 days after the date of the
6	enactment of this section, the Secretary shall establish
7	the standardized methods described in paragraph (2).
8	"SEC. 1912. STATE PERFORMANCE PARTNERSHIP PRO-
9	POSAL.
10	"(a) In General.—To be eligible to receive a grant
11	under this subpart, a State shall, in accordance with this
12	section, prepare and submit to the Secretary a performance
13	partnership proposal.
14	"(b) Elements Related to Performance Objec-
15	TIVES.—A State proposal submitted under subsection (a)
16	shall appropriately address the most significant mental
17	health problems (as measured by applicable indicators)
18	within the State and contain—
19	"(1) a list of one or more objectives (derived from
20	the performance partnership objectives established
21	under section 1911(b)), including at least one objec-
22	tive in the children's area, toward which the State
23	will work and a performance target for each objective
24	which the State will seek to achieve by the end of the
25	partnership period;

- 1 "(2) a rationale for the State's selection of objec-2 tives, including any performance targets, and time-3 frames;
- "(3) a statement of the State's strategies for achieving the objectives over the course of the grant period and evidence that the actions taken under a partnership agreement will have an impact on the objective;
- 9 "(4) a statement of the amount to be expended 10 to carry out each strategy; and
- "(5) an assurance that the State will report annually on all core performance objectives established under section 1911(b)(1)(B) (regardless of whether it is working toward those objectives) and the specific objectives toward which the State will work under the performance partnership.
- 18 performance partnership objective under section 1911 if the 19 objective relates to a significant mental health problem in 20 the State that would not otherwise be appropriately ad-21 dressed. The Secretary may require that objectives and re-22 quirements be developed by the State in a manner consistent 23 with the requirements of paragraphs (2) and (3) of section

1911(b).

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- 1 "(c) Transition Provision.—A State may select ob-
- 2 jectives under this section which have solely process or ca-
- 3 pacity measures until such time as data sets are determined
- 4 by the Secretary to be readily available, sufficient, and rel-
- 5 evant under section 601(a) of the SAMHSA Reauthoriza-
- 6 tion, Flexibility Enhancement, and Consolidation Act of
- 7 1995, to make outcome measurements for objectives devel-
- 8 oped by the Secretary.

## 9 "SEC. 1913. FEDERAL-STATE PERFORMANCE PARTNERSHIP.

- 10 "(a) Approval of State Proposal.—With respect
- 11 to a State that submits a proposal in accordance with sec-
- 12 tion 1912, the Secretary, upon a determination that the
- 13 State meets the requirements of such section, shall approve
- 14 the State proposal for a performance partnership under
- 15 which the State shall expend amounts received under a
- 16 grant provided for under this subpart.
- 17 "(b) Partnership Period.—The Secretary, in con-
- 18 sultation with a State receiving a grant under this subpart,
- 19 shall set the duration of the partnership with the State. Ini-
- 20 tial and subsequent partnership periods shall not be less
- 21 than 3 nor more than 5 years, except that the Secretary
- 22 may agree to a partnership period of less than 3 years
- 23 where a State demonstrates to the satisfaction of the Sec-
- 24 retary that such shorter period is appropriate in light of
- 25 the particular circumstances of that State.

1	"(c) Assessment and Adjustment.—
2	"(1) Assessments.—The Secretary shall annu-
3	ally assess—
4	"(A) the progress achieved nationally to-
5	ward each of the core objectives established under
6	section $1911(b)(1)(B)$ ; and
7	"(B) in consultation with each State, the
8	progress of the State toward each objective agreed
9	upon in the performance partnership under sub-
10	section (a);
11	and make such assessment publicly available.
12	"(2) State assessments.—In carrying out
13	paragraph (1)(B), the Secretary shall take into con-
14	sideration such qualitative assessments of performance
15	as may be provided by each State pursuant to section
16	1942(a)(3).
17	"(3) Adjustments.—With respect to a perform-
18	ance partnership under subsection (a), the Secretary
19	and the State may at any time in the course of the
20	partnership period renegotiate, and revise by mutual
21	agreement, the elements of the partnership to account
22	for new information or changed circumstances (in-
23	cluding information or changes identified during as-
24	sessments under paragraph (1)).
25	"(d) Grants to States; Use of Funds.—

1	"(1) Grants.—The Secretary shall award a
2	grant to each State that—
3	"(A) has reached a performance partnership
4	agreement with the Secretary under subsection
5	(a); and
6	"(B) is carrying out activities in accord-
7	ance with the terms of such partnership;
8	in an amount that is equal to the allotment of the
9	State under section 1918. Grants shall be awarded for
10	each fiscal year for which the partnership is in effect.
11	"(2) Use of funds.—Funds paid to a State
12	under a grant described in paragraph (1) may be
13	used by the State only for the purpose of carrying out
14	this subpart (including related data collection, eval-
15	uation, planning, administration, and educational
16	activities).".
17	(c) Additional General Provisions Concerning
18	Partnerships.—Section 1917 (42 U.S.C. 300x-6) is
19	amended—
20	(1) by striking the section heading;
21	(2) by striking "application" each place that
22	such term appears and inserting "proposal";
23	(3) in subsection (a)—
24	(A) in the subsection heading, by striking
25	"(a) In General.—" and all that follows

1	through paragraph (1) and inserting "(d) ADDI-
2	Tional Elements.—A State proposal is in ac-
3	cordance with this subsection if—";
4	(B) in paragraph (3), by inserting "pro-
5	posed performance partnership and" before
6	"agreements";
7	(C) in paragraph (5), by striking "the pro-
8	posal contains the plan required in section
9	1912(a),";
10	(D) in paragraph (7), by striking "(includ-
11	ing the plan under section 1912(a))";
12	(E) by redesignating paragraphs (2)
13	through (7) as paragraphs (1) through (6), re-
14	spectively; and
15	(F) by transferring such subsection to sec-
16	tion 1912 (as added by subsection (b)) and in-
17	serting such subsection at the end of such section;
18	and
19	(4) in subsection (b)—
20	(A) by transferring such subsection to sec-
21	tion 1913 (as added by subsection (b));
22	(B) by inserting such subsection at the end
23	of such section 1913; and
24	(C) by redesignating such subsection as sub-
25	section (e).

1	(d) Definitions.—Section 1919 (42 U.S.C. 300x-8)
2	is amended by adding at the end thereof the following new
3	paragraphs:
4	"(3) The term 'performance indicator' means a
5	quantifiable characteristic used as a measurement.
6	"(4) The term 'performance target' means a nu-
7	merical value sought to be achieved within a specified
8	period of time.".
9	(e) Conforming Amendments.—Title XIX is amend-
10	ed—
11	(1) in the heading to subpart $I$ of part $B$ (42)
12	U.S.C. 300x-1), by striking "Block" and inserting
13	"Performance Partnership";
14	(2) in section 1914(b)(1) (42 U.S.C. 300x-
15	3(b)(1)), by striking "plans" each place that such ap-
16	pears and inserting "performance partnerships";
17	(3) in section 1915(a) (42 U.S.C. 300x-4(a))—
18	(A) in the subsection heading, by striking
19	"PLAN" in the subsection heading and inserting
20	"Performance Partnership"; and
21	(B) by striking "plan" each place that such
22	appears and inserting "performance partner-
23	ship";
24	(4) in subpart III of part B (300x-51 et seq.),
25	by striking—

1	(A) "section 1911" each place that such ap-
2	pears, and inserting "subpart I";
3	(B) "section 1911 or 1921" each place that
4	such appears, and inserting "subpart I or sub-
5	part II"; and
6	(C) "sections 1911 and 1921" each place
7	that such appears, and inserting "subparts $I$ and
8	II''.
9	(5) in section 1941 (42 U.S.C. 300x-51)—
10	(A) in the section heading, by striking
11	"PLANS" and inserting "PERFORMANCE
12	PARTNERSHIPS"; and
13	(B) by striking "plan" each place that such
14	appears and inserting "performance partner-
15	ship";
16	(6) in section $1944(b)(3)$ (42 U.S.C. $300x$ -
17	54(b)(3)), by striking "1912(d) or"; and
18	(7) in section 1945(d)(2)(A) (42 U.S.C. 300x-
19	55(d)(2)(A)), by striking "the condition established in
20	section 1912(d) and".
21	(f) Conforming Amendment to Title V.—Section
22	520(b) (42 U.S.C. 2900bb-31(b)) is amended—
23	(1) by striking paragraph (5); and
24	(2) by redesignating paragraphs (6) through (14)
25	as paragraphs (5) through (13), respectively.

1	SEC. 102. REVIEW BY PLANNING COUNCIL OF STATE'S RE-
2	PORT.
3	Section $1915(a)(1)$ (42 U.S.C. $300x-4(a)(1)$ ) is
4	amended by inserting "(and the report of the State under
5	section 1942(a) concerning the preceding fiscal year)" after
6	"to the grant".
7	SEC. 103. STATE OPPORTUNITY TO CORRECT OR MITIGATE
8	FAILURE TO MAINTAIN EFFORT.
9	Section $1915(b)(3)(A)$ (42 U.S.C. $300x-4(b)(3)(A)$ ) is
10	amended by striking the second sentence and inserting the
11	following new sentences: "If the Secretary determines that
12	a State has failed to maintain such compliance, the Sec-
13	retary may permit the State, not later than 1 year after
14	notification, to correct or mitigate the noncompliance. If
15	the State does not carry out a correction or mitigation as
16	specified by the Secretary (or if the Secretary decided it
17	was not appropriate to provide that opportunity), the Sec-
18	retary shall reduce the amount of the grant under this sub-
19	part for the State for the current fiscal year by an amount
20	equal to the amount constituting such failure.".
21	SEC. 104. FUNDING FOR ORGANIZATIONS THAT ARE FOR-
22	PROFIT.
23	Section $1916(a)(5)$ (42 U.S.C. $300x-5(a)(5)$ ) is
24	amended by inserting before the period the following: ", un-
25	less the State determines that it is appropriate and bene-
26	ficial for a for-profit private entity to receive assistance to

1	facilitate the integration of the State Medicaid program or
2	mental health managed care programs under title XIX of
3	the Social Security Act)".
4	SEC. 105. AUTHORIZATION OF APPROPRIATION.
5	Section 1920(a) (42 U.S.C. 300x-9(a)) is amended by
6	striking "\$450,000,000" and all that follows through the
7	end thereof and inserting "\$280,000,000 for fiscal year
8	1996, and such sums as may be necessary for each of the
9	fiscal years 1997 through 1999.".
10	SEC. 106. DATA COLLECTION, TECHNICAL ASSISTANCE, AND
11	EVALUATIONS.
12	(a) Reserved Funds.—Section 1920(b) (42 U.S.C.
13	300x-9(b)) is amended to read as follows:
14	"(b) Reserved Funds.—
15	"(1) In General.—The Secretary shall reserve 5
16	percent of the amounts appropriated for a fiscal year
17	under subsection (a)—
18	"(A) to carry out sections 505 (providing
19	for data collection) and 1948(a) (providing for
20	technical assistance to States) with respect to
21	mental health; and
22	"(B) to conduct evaluations concerning pro-
23	grams supported under this subpart.

1	The Secretary may carry out activities funded pursu-
2	ant to this subsection directly, or through grants, con-
3	tracts, or cooperative agreements.
4	"(2) Data collection infrastructure.—In
5	carrying out this subsection, the Secretary shall make
6	available grants and contracts to States for the devel-
7	opment and strengthening of State core capacity (in-
8	cluding infrastructure) for data collection and evalua-
9	tion.".
10	(b) Data Collection Authority.—Section 505(a)
11	(42 U.S.C. 290aa-4(a)) is amended—
12	(1) in paragraph (1), by striking "and" at the
13	end thereof;
14	(2) in paragraph (2), by striking the period at
15	the end thereof and inserting "; and"; and
16	(3) by adding at the end the following:
17	"(3) other factors as needed to carry out part B
18	of title XIX.
19	The Secretary may conduct activities under this subsection
20	directly, or through grants, contracts, or cooperative agree-
21	ments.".
22	(c) Conforming Amendment.—Section 1948(a) (42
23	U.S.C. 300x-58(a)) is amended by striking "through con-
24	tract, or through grants" and inserting "or through grants,
25	contracts, or cooperative agreements".

1	SEC. 107. PROJECTS FOR ASSISTANCE IN TRANSITION
2	FROM HOMELESSNESS.
3	(a) Funding.—Section 535(a) of the Public Health
4	Service Act (42 U.S.C. 290cc-35(a)) is amended by striking
5	"\$75,000,000" and all that follows through the period and
6	inserting "\$29,000,000 for each of the fiscal years 1996 and
7	1997, and \$50,000,000 for each of the fiscal years 1998 and
8	1999.".
9	(b) Repeal.—Effective on October 1, 1997—
10	(1) section 506 (42 U.S.C. 290aa-5) is repealed;
11	and
12	(2) the Secretary shall not allocate funds under
13	section 520A (as amended by section 108) (42 U.S.C.
14	290bb-32) or under any other authority for the pro-
15	gram known as the "Access to Community Care and
16	Effective Services and Supports" (ACCESS) pro-
17	gram.
18	SEC. 108. PRIORITY MENTAL HEALTH NEEDS OF REGIONAL
19	AND NATIONAL SIGNIFICANCE.
20	Section 520A (42 U.S.C. 290bb-32) is amended to read
21	as follows:
22	"SEC. 520A. PRIORITY MENTAL HEALTH NEEDS OF RE-
23	GIONAL AND NATIONAL SIGNIFICANCE.
24	"(a) Grants.—The Secretary shall address priority
25	mental health needs of regional and national significance
26	through—

1	"(1) the provision of—
2	"(A) training; or
3	"(B) demonstration projects for prevention,
4	treatment, and rehabilitation; and
5	"(2) the conduct or support of evaluations of
6	such demonstration projects.
7	In carrying out this section, the Secretary may make grants
8	to, or enter into cooperative agreements with, States, politi-
9	cal subdivisions of States, Indian Tribes and tribal organi-
10	zations, and public or private nonprofit entities.
11	"(b) Priority Mental Health Needs.—Priority
12	mental health needs of regional and national significance
13	shall include child mental health services, and may include
14	managed care, systems and partnerships, client-oriented
15	and consumer-run self-help services, training, and other
16	priority populations and conditions as determined appro-
17	priate by the Secretary.
18	"(c) Requirements.—
19	"(1) In general.—Recipients of grants, cooper-
20	ative agreements, and contracts under this section
21	shall comply with information and application re-
22	quirements determined appropriate by the Secretary.
23	"(2) Payments.—With respect to a grant, coop-
24	erative agreement, or contract awarded under this
25	section, the period during which payments under such

award are made to the recipient may not exceed 5 years. The provision of such payments shall be subject to annual approval by the Secretary and the availability of appropriations for the fiscal year involved. This paragraph may not be construed as limiting the number of awards under the program involved that may be made to an entity.

"(3) MATCHING FUNDS.—The Secretary may require that an entity that applies for a grant, contract, or cooperative agreement under this section provide non-Federal matching funds, as determined appropriate by the Secretary, to ensure the institutional commitment of the entity to the projects funded under the grant, contract, or cooperative agreement. Such non-Federal matching funds may be provided directly or through donations from public or private entities and may be in cash or in kind, fairly evaluated, including plant, equipment, or services.

"(4) Maintenance of Effort.—With respect to activities for which a grant, cooperative agreement, or contract is awarded under this section, the Secretary may require that the recipient agree to maintain expenditures of non-Federal amounts for such activities at a level that is not less than the level of such expenditures maintained by the entity for such fiscal

1	year preceding the fiscal year for which the entity re-
2	ceives such a grant, contract, or cooperative agree-
3	ment.
4	"(5) Application and funding agree-
5	MENTS.—
6	"(A) Application.—An application for a
7	grant, contract, or cooperative agreement under
8	this section shall ensure that amounts received
9	under such grant, contract, or agreement will not
10	be expended—
11	"(i) to provide inpatient services;
12	"(ii) to make cash payments to in-
13	tended recipients of services;
14	"(iii) to purchase or improve land,
15	purchase, construct, or permanently im-
16	prove (other than minor remodeling) any
17	building or other facility, or purchase major
18	$medical\ equipment;\ or$
19	"(iv) to satisfy any requirement for the
20	expenditure of non-Federal funds as a con-
21	dition for the receipt of Federal funds.
22	"(B) Funding Agreement.—A funding
23	agreement for a grant, contract, or cooperative
24	agreement under this section is that the entity
25	involved will not expend more than 10 percent of

1	the grant, contract, or agreement for administra-
2	tive expenses with respect to the grant, contract,
3	or agreement.
4	"(d) Reduction in Payments.—The Secretary, at the
5	request of a State or a political subdivision of a State, or
6	a public or private nonprofit entity, may reduce the
7	amount of payments under this section by—
8	"(1) the fair market value of any supplies or
9	equipment furnished the State, political subdivision of
10	the State, or a public or private nonprofit entity; and
11	"(2) the amount of the pay, allowances, and
12	travel expenses of any officer, fellow, or employee of
13	the Government when detailed to the State, a political
14	subdivision of the State, or a public or private non-
15	profit entity, and the amount of any other costs in-
16	curred in connection with the detail of such officer,
17	fellow, or employee;
18	when the furnishing of such officer, fellow, or employee is
19	for the convenience of and at the request of the State, politi-
20	cal subdivision of the State, or public or private non-profit
21	entity and for the purpose of conducting activities described
22	in this section. The amount by which any payment is so
23	reduced shall be available for payment by the Secretary of
24	the costs incurred in furnishing the supplies or equipment
25	or in detailing the personnel, on which the reduction of the

- 1 payment is based, and the amount shall be deemed to have
- 2 been paid to the State, political subdivision of the State,
- 3 or public or private non-profit entity.
- 4 "(e) EVALUATION.—The Secretary shall evaluate each
- 5 project carried out under section (a)(1)(B) and shall dis-
- 6 seminate the findings with respect to each such evaluation
- 7 to appropriate public and private entities.
- 8 "(f) Information and Education.—
- 9 "(1) In general.—The Secretary shall establish
- information and education programs to disseminate
- 11 the findings of the demonstration and training pro-
- grams under this section to the general public and to
- 13 health professionals.
- 14 "(2) Dissemination.—The Secretary shall take
- such action as may be necessary to insure that all
- 16 methods of dissemination and exchange of informa-
- tion are maintained between the Substance Abuse and
- 18 Mental Health Services Administration and the pub-
- 19 lic, and such Administration and other scientific or-
- 20 ganizations, both nationally and internationally.
- 21 "(g) Authorization of Appropriations.—There
- 22 are authorized to be appropriated to carry out this section,
- 23 \$50,000,000 for each of the fiscal years 1996 and 1997,
- 24 \$30,000,000 for fiscal year 1998, and such sums as may
- 25 be necessary for fiscal year 1999.".

## 1 **SEC. 109. REPEALS.**

- 2 (a) In General.—The following provisions of the
- 3 Public Health Service Act are repealed:
- 4 (1) Subsections (a), (c), and (d) of section 303
- 5 (42 U.S.C. 242a (a), (c), and (d)) relating to clinical
- 6 training and AIDS training.
- 7 (2) Section 520B (42 U.S.C. 290bb-33) relating
- 8 to AIDS demonstrations.
- 9 (3) Section 612 of the Stewart B. McKinney
- 10 Homeless Assistance Act.
- 11 (b) Conforming Amendment.—Section 303 (42)
- 12 U.S.C. 242a) as amended by subsection (a)(1), is further
- 13 amended by striking the remaining subsection designation.
- 14 SEC. 110. COMPREHENSIVE COMMUNITY SERVICES FOR
- 15 CHILDREN WITH A SERIOUS EMOTIONAL DIS-
- 16 TURBANCE.
- 17 (a) AUTHORIZATION OF APPROPRIATIONS.—Section
- 18 565(f)(1) (42 U.S.C. 290ff-4(f)(1)) is amended—
- 19 (1) by striking "and" after "1993"; and
- 20 (2) by inserting before the period the following:
- 21 ", \$60,000,000 for fiscal year 1996, and such sums as
- may be necessary for each of the 3 succeeding fiscal
- 23 years".
- 24 (b) Flexibility for Indian Tribes and Terri-
- 25 TORIES.—Section 562(c) (42 U.S.C. 290ff-1(c)) is amended
- 26 by adding at the end the following new flush sentence:

1	"The Secretary may waive one or more of the requirements
2	of the preceding sentence (for a public entity that is an In-
3	dian Tribe or tribal organization, or American Samoa,
4	Guam, the Marshall Islands, the Federated States of Micro-
5	nesia, the Commonwealth of the Northern Mariana Islands,
6	the Republic of Palau, or the United States Virgin Islands)
7	if the Secretary determines, after peer review, that the sys-
8	tem of care is family-centered and uses the least restrictive
9	environment that is clinically appropriate.".
10	TITLE II—SUBSTANCE ABUSE
11	SEC. 201. REPLACEMENT OF STATE PLAN PROGRAM WITH
12	PERFORMANCE PARTNERSHIPS.
13	(a) Repeals.—Section 1921 (42 U.S.C. 300x-21) is
14	repealed.
15	(b) Performance Partnership Framework.—Sub-
16	part II of part B of title XIX (42 U.S.C. 300x-21 et seq.)
17	(as amended by subsection (a)) is further amended by in-
18	serting after the subpart heading the following new sections:
19	"SEC. 1921. PERFORMANCE PARTNERSHIP GOALS AND OB-

- 20 **JECTIVES**.
- 21 "(a) Goals.—It is the goal of this subpart for the
- 22 States and the Federal Government, working together in a
- 23 partnership—
- 24 "(1) to reduce the incidence and prevalence of
- 25 substance abuse and dependence;

1	"(2) to improve access to appropriate prevention
2	and treatment programs for targeted populations;
3	"(3) to enhance the effectiveness of substance
4	abuse prevention and treatment programs; and
5	"(4) to reduce the personal and community risks
6	for substance abuse.
7	"(b) Performance Partnership Objectives.—
8	"(1) Establishment.—Not later than October 1
9	of the fiscal year prior to the fiscal year in which this
10	section becomes effective as provided for in section
11	601(c) of the SAMHSA Reauthorization, Flexibility
12	Enhancement, and Consolidation Act of 1995, the
13	Secretary, in consultation with the States, local gov-
14	ernments, Indian tribes, providers, and consumers,
15	and in accordance with paragraph (4), shall estab-
16	lish, and as necessary, periodically revise—
17	"(A) a list of performance partnership ob-
18	jectives to carry out the goals of this subpart;
19	"(B) a core set of not more than five of such
20	objectives that address substance abuse problems
21	of national significance; and
22	"(C) a list of proxy objectives that are con-
23	sistent with the intent of the requirements de-
24	scribed in section $601(c)(4)(C)$ of the SAMHSA
25	Reauthorization, Flexibility Enhancement, and

1	Consolidation Act of 1995, and that may, at the
2	option of the State, be implemented in place of
3	such requirements.
4	"(2) Requirements.—Each performance part-
5	nership objective established under paragraph (1)
6	shall include—
7	"(A) a performance indicator;
8	"(B) the specific population being ad-
9	dressed;
10	"(C) a performance target; and
11	"(D) a date by which the target level is to
12	be achieved.
13	"(3) Principles.—In establishing the perform-
14	ance partnership objectives under paragraph (1), the
15	Secretary shall be guided by the following principles:
16	"(A) The objectives should be closely related
17	to the goals of this subpart, and be viewed as im-
18	portant by and understandable to State policy-
19	makers and the general public.
20	"(B) Objectives should be results-oriented,
21	including a suitable mix of outcome, process and
22	capacity measures.
23	"(C) In the case of an objective that has
24	suitable outcome measures, measurable progress

1	in achieving the objective should be expected over
2	the period of the grant.
3	"(D) In the case of an objective that has
4	suitable process or capacity measures, such objec-
5	tive should be demonstrably linked to the achieve-
6	ment of, or demonstrate a potential to achieve, a
7	substance abuse treatment outcome.
8	"(E) Data to track the objective should, to
9	the extent practicable, be comparable for all
10	grant recipients, meet reasonable statistical
11	standards for quality, and be available in a
12	timely fashion, at appropriate periodicity, and
13	at reasonable cost.
14	"SEC. 1921A. STATE PERFORMANCE PARTNERSHIP PRO-
15	POSAL.
16	"(a) In General.—To be eligible to receive a grant
17	under this subpart, a State shall, in accordance with this
18	section, prepare and submit to the Secretary a performance
19	partnership proposal in accordance with the provisions of
20	this subpart.
21	"(b) Elements Related to Performance Objec-
22	TIVES.—A State proposal submitted under subsection (a)
23	shall appropriately address the most significant health
24	problems associated with substance abuse (as measured by
25	applicable indicators) within the State and contain—

1	"(1) a list of one or more objectives (derived from
2	the performance partnership objectives specified under
3	section 1921(b)) toward which the State will work
4	and a performance target for each objective which the
5	State will seek to achieve by the end of the partner-
6	ship period;
7	"(2) a rationale for the State's selection of objec-
8	tives, including any performance targets, and time-
9	frames;
10	"(3) a statement of the State's strategies for
11	achieving the objectives over the course of the grant
12	period and evidence that the actions taken under a
13	partnership agreement will have an impact on the ob-
14	jective;
15	"(4) a statement of the amount to be expended
16	to carry out each strategy; and
17	"(5) an assurance that the State will report an-
18	nually on all core performance objectives established
19	under section $1921(b)(1)(B)$ (regardless of whether it
20	is working toward those objectives) and the specific
21	objectives toward which the State will work under the
22	performance partnership.
23	A State may select an objective that is not an established
24	performance partnership objective under section 1921 if the
25	objective relates to a significant health problem related to

- 1 substance abuse in the State that would not otherwise be
- 2 addressed appropriately. The Secretary may require that
- 3 objectives developed by the State under this subsection be
- 4 consistent with the requirements of paragraphs (2) and (3)
- 5 of section 1921(b).
- 6 "(c) Transition Provision.—A State may select ob-
- 7 jectives under this section which solely have process or ca-
- 8 pacity measures until such time as data sets are determined
- 9 by the Secretary to be readily available, sufficient, and rel-
- 10 evant under section 601(a) of the SAMHSA Reauthoriza-
- 11 tion, Flexibility Enhancement, and Consolidation Act of
- 12 1995, to make outcome measurements for objectives devel-
- 13 oped by the Secretary.
- 14 "SEC. 1921B. FEDERAL-STATE PERFORMANCE PARTNER-
- 15 **SHIP.**
- 16 "(a) Approval of State Proposal.—With respect
- 17 to a State that submits a proposal in accordance with sec-
- 18 tion 1921A, the Secretary, upon a determination that the
- 19 State meets the requirements of such section, shall approve
- 20 the State proposal for a performance partnership under
- 21 which the State shall expend amounts received under a
- 22 grant provided for under this subpart.
- 23 "(b) Partnership Period.—The Secretary, in con-
- 24 sultation with a State receiving a grant under this subpart,
- 25 shall set the duration of the partnership with the State. Ini-

1	tial and subsequent partnership periods shall not be less
2	than 3 nor more than 5 years, except that the Secretary
3	may agree to a partnership period of less than 3 years
4	where a State demonstrates to the satisfaction of the Sec-
5	retary that such shorter period is appropriate in light of
6	the particular circumstances of that State.
7	"(c) Assessment and Adjustment.—
8	"(1) Assessments.—The Secretary shall annu-
9	ally assess—
10	"(A) the progress achieved nationally to-
11	ward each of the core objectives established under
12	section $1921(b)(1)(B)$ ; and
13	"(B) in consultation with each State, the
14	progress of the State toward each objective agreed
15	upon in the performance partnership under sub-
16	section (a);
17	and make such assessment publicly available.
18	"(2) State assessments.—In carrying out
19	paragraph (1)(B), the Secretary shall take into con-
20	sideration such qualitative assessments of performance
21	as may be provided by each State pursuant to section
22	1942(a)(3).
23	"(3) Adjustments.—With respect to a perform-
24	ance partnership under subsection (a), the Secretary
25	and the State may at any time in the course of the

1	partnership period renegotiate, and revise by mutual
2	agreement, the elements of the partnership to account
3	for new information or changed circumstances (in-
4	cluding information or changes identified during as-
5	sessments under paragraph (1)).
6	"(d) Grants to States; Use of Funds.—
7	"(1) Grants.—The Secretary shall award a
8	grant to each State that—
9	"(A) has reached a performance partnership
10	agreement with the Secretary under subsection
11	(a); and
12	"(B) is carrying out activities in accord-
13	ance with the terms of such partnership;
14	in an amount that is equal to the allotment of the
15	State under section 1933. Grants shall be awarded for
16	each fiscal year for which the partnership is in effect.
17	"(2) Use of funds.—Funds paid to a State
18	under a grant described in paragraph (1) may be
19	used by the State only for the purpose of carrying out
20	this subpart (including related data collection, eval-
21	uation, planning, administration, and educational
22	activities).".
23	(c) Additional General Provisions Concerning
24	Partnerships.—Section 1932 (42 U.S.C. 300x-32) is
25	amended—

1	(1) by striking the section heading;
2	(2) by striking "application" each place that
3	such term appears and inserting "proposal";
4	(3) in subsection (a)—
5	(A) in the subsection heading, by striking
6	"(a) In General.—" and all that follows
7	through paragraph (1) and inserting "(d) ADDI-
8	TIONAL ELEMENTS.—A State proposal is in ac-
9	cordance with this subsection if—";
10	(B) in paragraph (3), by inserting "pro-
11	posed performance partnership and" before
12	``agreements";
13	(C) by striking paragraphs (5) and (6)
14	(D) in paragraph (7), by striking "includ-
15	ing the plan under paragraph (6)";
16	(E) by redesignating paragraphs $(2)$
17	through (4), and paragraph (7) as paragraphs
18	(1) through (4), respectively; and
19	(F) by transferring such subsection to sec-
20	tion 1921A (as added by subsection (b)) and in-
21	serting such subsection at the end of such section;
22	and
23	(4) in subsection (c)—
24	(A) by transferring such subsection to sec-
25	tion 1921B (as added by subsection (b)):

1	(B) by inserting such subsection at the end
2	of such section 1921B; and
3	(C) by redesignating such subsection as sub-
4	section (h); and
5	(5) by striking subsections (b) and (d).
6	(d) Definitions.—Section 1934 (42 U.S.C. 300x-34)
7	is amended—
8	(1) by redesignating paragraphs (3) through (7)
9	as paragraphs (5) through (9), respectively; and
10	(2) by inserting after paragraph (2), the follow-
11	ing new paragraphs:
12	"(3) The term 'performance indicator' means a
13	quantifiable characteristic used as a measurement.
14	"(4) The term 'performance target' means a nu-
15	merical value sought to be achieved within a specified
16	period of time.".
17	(e) Conforming Amendments.—Title XIX is amend-
18	ed—
19	(1) in the heading of subpart II of part $B$ (42)
20	U.S.C. 300x-21 et seq.) by striking "Block" and in-
21	serting "Performance Partnership";
22	(2) in subpart II of part B (42 U.S.C. 300x-21
23	et seq.), by striking "section 1921" each place that
24	such appears and inserting "this subpart";

1	(3) in section $1933(a)(1)(A)$ (42 U.S.C. $300x$ -
2	33(a)(1)(A)), by inserting "(as in effect on January
3	1, 1995)" after "section 1918(a)"; and
4	(4) in subpart III of part B (42 U.S.C. 300x-
5	51 et seq.), by striking "section 1921" each place that
6	such appears and inserting "subpart II".
7	SEC. 202. ALLOCATIONS REGARDING PRIMARY PREVEN-
8	TION AND WOMENS PROGRAMS.
9	Section 1922 (42 U.S.C. 300x-22) is amended—
10	(1) by striking subsection (a);
11	(2) by redesignating subsections (b) and (c) as
12	subsections (a) and (b), respectively; and
13	(3) in subsection (b) (as so redesignated)—
14	(A) by striking paragraph (1) and inserting
15	the following new paragraph:
16	"(1) In General.—A funding agreement for a
17	grant under section 1921 for a fiscal year is that in
18	the case of a grant for fiscal year 1996, or a subse-
19	quent fiscal year, the State will expend not less than
20	an amount equal to the amount expended by the State
21	for fiscal year 1995 to increase the availability of
22	treatment services designed for pregnant women and
23	women with dependent children (either by establish-
24	ing new programs or expanding the capacity of exist-
25	ing programs)."; and

1	(B) by adding at the end thereof the follow-
2	ing new paragraph:
3	"(4) Insufficient amounts.—If the Secretary
4	determines that, as a result of a reduction in the
5	amount of Federal funds provided to State under this
6	subpart, a State will be unable to meet the require-
7	ment of paragraph (1), the Secretary shall permit the
8	State to prorate amounts provided under such para-
9	graph based on the amount provided to the State
10	under this subpart in fiscal year 1995.".
11	SEC. 203. TUBERCULOSIS AND HIV.
12	(a) Tuberculosis.—Section 1924(a) (42 U.S.C.
13	300x-24(a)) is amended—
14	(1) in paragraph (1), to read as follows:
15	"(1) In general.—A funding agreement for a
16	grant under section 1921 is that the State involved
17	will—
18	"(A)(i) directly or through arrangements
19	with other public or nonprofit private entities,
20	ensure that activities are routinely carried out
21	under subparagraphs (A) and
22	(B) of paragraph (2); and
23	"(ii) ensure that arrangements are made
24	with other public or nonprofit private entities to
25	make available tuberculosis services, including

1	services under subparagraphs $(C)$ and $(D)$ of
2	paragraph (2), to each individual receiving
3	treatment for substance abuse under this subpart;
4	and
5	"(B) require that any entity receiving
6	amounts from the grant for operating a program
7	of treatment for substance abuse, in the case of
8	an individual in need of such treatment who is
9	denied admission to the program on the basis of
10	the lack of the capacity of the program to admit
11	the individual, will refer the individual to an-
12	other provider of tuberculosis services.
13	Nothing in subparagraph (A)(ii) shall be construed to
14	require that the State expend funds under this Act to
15	make available such services.";
16	(2) in paragraph (2)—
17	(A) by redesignating subparagraph (C) as
18	subparagraph (D); and
19	(B) in subparagraph (B), to read as follows:
20	"(B) tuberculosis testing, based on the risk
21	assessment conducted by the State, to determine
22	whether the individual has contracted such dis-
23	ease, such testing to be based on usual standards
24	as determined to be appropriate by the State
25	health director in cooperation with State and

1	local health agencies for tuberculosis and with
2	other relevant private nonprofit entities;
3	"(C) testing to determine the form of treat-
4	ment for the disease that is appropriate for the
5	individual; and"; and
6	(3) by adding at the end thereof the following
7	new paragraph:
8	"(3) Counseling.—For purposes of paragraph
9	(2), the term 'counseling' with respect to an individ-
10	ual means—
11	"(A) the provision of information to indi-
12	viduals or communities about risk factors for tu-
13	berculosis; and
14	"(B) conducting tuberculosis risk assess-
15	ments to determine if tuberculosis testing is re-
16	quired.".
17	(b) HIV.—Section 1924(b) (42 U.S.C. 300x–24(b)) is
18	amended—
19	(1) in paragraph (1)(A), insert "routinely" after
20	"projects to";
21	(2) in paragraph (2), by striking "10" and in-
22	serting "15"; and
23	(3) in paragraph $(7)(B)(ii)$ , by inserting before
24	the semicolon the following: ", such testing to be based
25	on usual standards as determined to be appropriate

1	by the State health director in cooperation with State
2	and local health agencies for HIV and with other rel-
3	evant private nonprofit entities; and";
4	(c) Expenditure.—Section 1924(c) (42 U.S.C. 300x-
5	24(c)) is amended—
6	(1) in the subsection heading, by striking
7	"AGREEMENTS" and inserting "Partnerships"; and
8	(2) in paragraph (1), by striking "agreements"
9	and inserting "partnerships".
10	(d) Payor of Last Resort.—Section 1924 (42
11	U.S.C. 300x-24) is amended by adding at the end thereof
12	the following new subsection:
13	"(f) Payor of Last Resort.—Amounts made avail-
14	able under this section may only be used as a payment of
15	last resort for tuberculosis and may not be used for the med-
16	ical evaluation and treatment of such disease.".
17	SEC. 204. GROUP HOMES FOR RECOVERING SUBSTANCE
18	ABUSERS.
19	(a) In General.—Section 1925 (42 U.S.C. 300x-25)
20	is amended—
21	(1) in subsection (a), by striking "For fiscal year
22	1993" and all that follows through the colon and in-
23	serting "Except as provided in subsection (d), for
24	each of the fiscal years 1996 through 1999, the Sec-
25	retary may make a grant under section 1921 only

1	if the State involved has established and is providing
2	for the ongoing operation of a revolving fund as fol-
3	lows:"; and
4	(2) by adding at the end thereof the following
5	new subsection:
6	"(d) Nonapplication of Section.—
7	"(1) In General.—The requirements of this sec-
8	tion shall not apply to a State that is not, as of the
9	date of enactment of this subsection, utilizing a re-
10	volving fund under this section. Such a State shall
11	not be required to maintain such a fund after such
12	date of enactment.
13	"(2) USE OF FUNDS.—A State described in
14	paragraph (1), may use amounts set aside under this
15	section, or amounts remaining in the revolving fund,
16	to provide other services under this part.".
17	(b) Repeal.—Section 1925 (42 U.S.C. 300x-25) shall
18	be repealed effective on September 30, 1998.
19	SEC. 205. SALE OF TOBACCO PRODUCTS TO CERTAIN INDI-
20	VIDUALS.
21	Section 1926(c) (42 U.S.C. 300x-26(c)) is amended—
22	(1) in paragraph (1), by striking "10 percent"
23	and inserting "5 percent";
24	(2) in paragraph (2), by striking "20 percent"
25	and inserting "10 percent";

1	(3) in paragraph (3), by striking "30 percent"
2	and inserting "15 percent"; and
3	(4) in paragraph (4), by striking "40 percent"
4	and inserting "20 percent".
5	SEC. 206. ADDITIONAL AGREEMENTS.
6	Section 1928 (42 U.S.C. 300x-28) is amended—
7	(1) by striking subsections (a) and (d);
8	(2) by redesignating subsections (b) and (c) as
9	subsections (a) and (b), respectively; and
10	(3) by adding at the end thereof the following
11	new subsection:
12	"(c) Priority Admission.—Effective on October 1,
13	1997, a State shall ensure that in the provision of substance
14	abuse treatment, priority admission will be given to inject-
15	ing drug users and others at greatest risk for HIV infec-
16	tion.".
17	SEC. 207. STATE OPPORTUNITY TO CORRECT OR MITIGATE
18	FAILURE TO MAINTAIN EFFORT.
19	Section $1930(c)(1)$ (42 U.S.C. $300x-30(c)(1)$ ) is
20	amended by striking the second sentence and inserting the
21	following new sentences: "If the Secretary determines that
22	a State has failed to maintain such compliance, the Sec-
23	retary may permit the State, not later than 1 year after
24	notification, to correct or mitigate the noncompliance. If
25	the State does not carry out a correction or mitigation as

1	specified by the Secretary (or if the Secretary decided it
2	was not appropriate to provide that opportunity), the Sec-
3	retary shall reduce the amount of the grant under this sub-
4	part for the State for the current fiscal year by an amount
5	equal to the amount constituting such failure.".
6	SEC. 208. FUNDING FOR ORGANIZATIONS THAT ARE FOR-
7	PROFIT.
8	Section 1931(a) (42 U.S.C. 300x-31(a)) is amended—
9	(1) in paragraph (1)(E), by inserting before the
10	semicolon the following: ", unless the State determines
11	that it is appropriate and beneficial for a for-profit
12	private entity to receive assistance to facilitate the in-
13	tegration of the State Medicaid program or substance
14	abuse managed care programs under title XIX of the
15	Social Security Act)"; and
16	(2) by adding at the end thereof the following
17	new paragraph:
18	"(4) For-profit restrictions.—For purposes
19	of providing assistance to a for-profit entity under
20	$paragraph\ (1)(E),\ the\ State\ shall\ ensure\ that$
21	"(A) such an entity is certified or licensed
22	by the State;
23	"(B) all profits earned by such entity as a
24	result of assistance provided under this subpart
25	are redistributed by the entity to the community

1	served by the entity for the provision of treat-
2	ment or prevention services; and
3	"(C) in the case of an entity that is a pri-
4	vate for-profit entity, such entity is the only
5	available provider of substance abuse treatment
6	in the area served.".
7	SEC. 209. AUTHORIZATION OF APPROPRIATIONS.
8	Section 1935(a) (42 U.S.C. 300x-35(a)) is amended
9	by striking "\$1,500,000,000" and all that follows through
10	the end thereof and inserting "\$1,300,000,000 for fiscal year
11	1996, and such sums as may be necessary for each of the
12	fiscal years 1997 through 1999.".
13	SEC. 210. DATA COLLECTION, TECHNICAL ASSISTANCE, AND
13 14	SEC. 210. DATA COLLECTION, TECHNICAL ASSISTANCE, AND EVALUATIONS.
14	EVALUATIONS.
14 15	EVALUATIONS.  Section 1935(b) (42 U.S.C. 300x-35(b)) is amended to
14 15 16	EVALUATIONS.  Section 1935(b) (42 U.S.C. 300x-35(b)) is amended to read as follows:
14 15 16 17	EVALUATIONS.  Section 1935(b) (42 U.S.C. 300x-35(b)) is amended to read as follows:  "(b) RESERVED FUNDS.—
14 15 16 17	EVALUATIONS.  Section 1935(b) (42 U.S.C. 300x-35(b)) is amended to read as follows:  "(b) Reserved Funds.—  "(1) In General.—The Secretary shall reserve 5
114 115 116 117 118	EVALUATIONS.  Section 1935(b) (42 U.S.C. 300x-35(b)) is amended to read as follows:  "(b) Reserved Funds.—  "(1) In General.—The Secretary shall reserve 5 percent of the amounts appropriated for a fiscal year
14 15 16 17 18 19 20	EVALUATIONS.  Section 1935(b) (42 U.S.C. 300x-35(b)) is amended to read as follows:  "(b) Reserved Funds.—  "(1) In General.—The Secretary shall reserve 5 percent of the amounts appropriated for a fiscal year under subsection (a)—
14 15 16 17 18 19 20 21	EVALUATIONS.  Section 1935(b) (42 U.S.C. 300x-35(b)) is amended to read as follows:  "(b) Reserved Funds.—  "(1) In General.—The Secretary shall reserve 5 percent of the amounts appropriated for a fiscal year under subsection (a)—  "(A) to carry out sections 505 (providing)

1	"(B) to carry out section 515(d) (providing
2	for a performance substance abuse data base);
3	and
4	"(C) to conduct evaluations concerning pro-
5	grams supported under this subpart.
6	The Secretary may carry out activities funded pursu-
7	ant to this paragraph directly, or through grants,
8	contracts, or cooperative agreements.
9	"(2) Data collection infrastructure.—In
10	carrying out this subsection, the Secretary shall make
11	available grants and contracts to States for the devel-
12	opment and strengthening of State core capacity (in-
13	cluding infrastructure) for data collection and evalua-
14	tion.
15	"(3) Prevention.—Of the amounts reserved
16	under paragraph (1) for a fiscal year, the Secretary
17	shall ensure that 20 percent of such amounts shall be
18	used for activities related to prevention.".
19	SEC. 211. PRIORITY SUBSTANCE ABUSE TREATMENT NEEDS
20	OF REGIONAL AND NATIONAL SIGNIFICANCE.
21	Section 510 (42 U.S.C. 290bb-3) is amended to read
22	as follows:

1	"SEC. 510. PRIORITY SUBSTANCE ABUSE TREATMENT
2	NEEDS OF REGIONAL AND NATIONAL SIGNIFI-
3	CANCE.
4	"(a) Grants.—The Secretary shall address the sub-
5	stance abuse treatment health needs of regional and na-
6	tional significance through—
7	"(1) the provision of
8	"(A) training; or
9	"(B) demonstration projects for prevention
10	and treatment; and
11	"(2) the conduct or support of evaluations of
12	such demonstration projects.
13	In carrying out this section, the Secretary may make grants
14	to, or enter into cooperative agreements with, States, politi-
15	cal subdivisions of States, Indian Tribes and tribal organi-
16	zations, and public or private nonprofit entities.
17	"(b) Substance Abuse Treatment Health
18	NEEDS.—Substance abuse health needs of regional and na-
19	tional significance may include managed care, systems and
20	partnerships, client-oriented services, and other priority
21	populations (including pregnant substance abusers, women
22	with dependent children, crack cocaine and injecting drug
23	users, and patients with dual disorders) and conditions as
24	determined appropriate by the Secretary.
25	"(c) Requirements.—

- "(1) In General.—Recipients of grants, cooperative agreements, and contracts under this section shall comply with information and application requirements determined appropriate by the Secretary.
- "(2) Payments.—With respect to a grant, cooperative agreement, or contract awarded under this section, the period during which payments under such award are made to the recipient may not exceed 5 years. The provision of such payments shall be subject to annual approval by the Secretary and the availability of appropriations for the fiscal year involved. This paragraph may not be construed as limiting the number of awards under the program involved that may be made to an entity.
- "(3) MATCHING FUNDS.—The Secretary may require that an entity that applies for a grant, contract, or cooperative agreement under this section provide non-Federal matching funds, as determined appropriate by the Secretary, to ensure the institutional commitment of the entity to the projects funded under the grant, contract, or cooperative agreement. Such non-Federal matching funds may be provided directly or through donations from public or private entities and may be in cash or in kind, fairly evaluated, including plant, equipment, or services.

1	"(4) Maintenance of Effort.—With respect to
2	activities for which a grant, cooperative agreement, or
3	contract is awarded under this section, the Secretary
4	may require the recipient to agree to maintain ex-
5	penditures of non-Federal amounts for such activities
6	at a level that is not less than the level of such ex-
7	penditures maintained by the entity for such fiscal
8	year preceding the fiscal year for which the entity re-
9	ceives such a grant, contract, or cooperative agree-
10	ment.
11	"(5) Application and funding agree-
12	MENTS.—
13	"(A) Application.—An application for a
14	grant, contract, or cooperative agreement under
15	this section shall ensure that amounts received
16	under such grant, contract, or agreement will not
17	be expended—
18	"(i) to provide inpatient services;
19	"(ii) to make cash payments to in-
20	tended recipients of services;
21	"(iii) to purchase or improve land,
22	purchase, construct, or permanently im-
23	prove (other than minor remodeling) any
24	building or other facility, or purchase major
25	medical equipment; or

1	"(iv) to satisfy any requirement for the
2	expenditure of non-Federal funds as a con-
3	dition for the receipt of Federal funds.
4	"(B) Funding Agreement.—A funding
5	agreement for a grant, contract, or cooperative
6	agreement under this section is that the entity
7	involved will not expend more than 10 percent of
8	the grant, contract, or agreement for administra-
9	tive expenses with respect to the grant, contract,
10	or agreement.
11	"(d) Reduction in Payments.—The Secretary, at the
12	request of a State or a political subdivision of a State, or
13	a public or private nonprofit entity, may reduce the
14	amount of payments under this section by—
15	"(1) the fair market value of any supplies or
16	equipment furnished the State, political subdivision of
17	the State, or a public or private nonprofit entity; and
18	"(2) the amount of the pay, allowances, and
19	travel expenses of any officer, fellow, or employee of
20	the Government when detailed to the State, a political
21	subdivision of the State, or a public or private non-
22	profit entity, and the amount of any other costs in-
23	curred in connection with the detail of such officer,
24	fellow, or employee;

1	when the furnishing of such officer, fellow, or employee is
2	for the convenience of and at the request of the State, politi-
3	cal subdivision of the State, or public or private non-profit
4	entity and for the purpose of conducting activities described
5	in this section. The amount by which any payment is so
6	reduced shall be available for payment by the Secretary of
7	the costs incurred in furnishing the supplies or equipment
8	or in detailing the personnel, on which the reduction of the
9	payment is based, and the amount shall be deemed to have
10	been paid to the State, political subdivision of the State,
11	or public or private non-profit entity.
12	"(e) EVALUATION.—The Secretary shall evaluate each
13	project carried out under section (a)(1)(B) and shall dis-
14	seminate the findings with respect to each such evaluation
15	to appropriate public and private entities.
16	"(f) Information and Education.—
17	"(1) In general.—The Secretary shall establish
18	information and education programs to disseminate
19	the findings of the research, demonstration, and
20	training programs under this section to the general
21	public and to health professionals.
22	"(2) Dissemination.—The Secretary shall take
23	such action as may be necessary to insure that all
24	methods of dissemination and exchange of informa-

tion are maintained between the Substance Abuse and

1	Mental Health Services Administration and the pub-
2	lic, and the Administration and other scientific orga-
3	nizations, both nationally and internationally.
4	"(g) Authorization of Appropriations.—There
5	are authorized to be appropriated to carry out this section,
6	\$195,000,000 for fiscal year 1996, and such sums as may
7	be necessary for each of the fiscal years 1997 through
8	1999.".
9	SEC. 212. REPEALS.
10	The following provisions of the Public Health Service
11	Act are repealed:
12	(1) Section 508 (42 U.S.C. 290bb-1) relating to
13	residential treatment programs for pregnant women.
14	(2) Section 509 (42 U.S.C. 290bb-2) relating to
15	outpatient treatment programs for pregnant and post
16	partum women.
17	(3) Section 511 (42 U.S.C. 290bb-4) relating to
18	substance abuse treatment in State and local criminal
19	justice systems.
20	(4) Section 512 (42 U.S.C. 290bb-5) relating to
21	training in the provision of treatment services.
22	(5) Paragraph (5) of section 515(b) (42 U.S.C.
23	290bb-21(b)(5)) relating to the activities of the Office
24	of Substance Abuse Prevention Paragraphs (6)

1	through (10) of such section shall be redesignated as
2	paragraphs (5) through (9), respectively.
3	(6) Section 516 (42 U.S.C. 290bb-22) relating to
4	community prevention programs.
5	(7) Section 517 (42 U.S.C. 290bb-23) relating to
6	high-risk youth demonstrations.
7	(8) Section 518 (42 U.S.C. 290bb-24) relating to
8	employee assistance programs.
9	(9) Section 571 (42 U.S.C. 290gg) relating to the
10	National Capital Area Demonstration Program.
11	(10) Section 1971 (42 U.S.C. 300y) relating to
12	categorical grants to States.
13	SEC. 213. PRIORITY SUBSTANCE ABUSE PREVENTION
14	NEEDS OF REGIONAL AND NATIONAL SIGNIFI-
15	CANCE.
16	Section 516 (42 U.S.C. 290bb-22) is amended to read
17	as follows:
18	"SEC. 516. PRIORITY SUBSTANCE ABUSE PREVENTION
19	NEEDS OF REGIONAL AND NATIONAL SIGNIFI-
20	CANCE.
21	"(a) Grants.—The Secretary shall address the sub-
22	stance abuse prevention health needs of regional and na-
23	
23	tional significance through—
23 24	tional significance through— "(1) the provision of

1	"(B) demonstration projects for prevention;
2	and
3	"(2) conduct or support of evaluations of such
4	demonstration projects.
5	In carrying out this section, the Secretary may make
6	grants to, or enter into cooperative agreements with, States,
7	political subdivisions of States, Indian tribes and tribal or-
8	ganizations and public or private nonprofit entities.
9	"(b) Substances Abuse Prevention Health
10	NEEDS.—Substance abuse prevention health needs of re-
11	gional and national significance may include managed
12	care, systems and partnerships, client oriented services, and
13	other priority populations (including youth, high risk
14	youth, and children of substance abusers) and conditions
15	as considered appropriate by the Secretary.
16	"(c) Requirements.—
17	"(1) In general.—Recipients of grants, cooper-
18	ative agreements, and contracts under this section
19	shall comply with information and application re-
20	quirements determined appropriate by the Secretary.
21	"(2) Payments.—With respect to a grant, coop-
22	erative agreement, or contract awarded under this
23	section, the period during which payments under such
24	award are made to the recipient may not exceed 5
25	years. The provision of such payments shall be subject

- to annual approval by the Secretary and the availability of appropriations for the fiscal year involved.

  This paragraph may not be construed as limiting the number of awards under the program involved that may be made to an entity.
  - "(3) MATCHING FUNDS.—The Secretary may require that an entity that applies for a grant, contract, or cooperative agreement under this section provide non-Federal matching funds, as determined appropriate by the Secretary, to ensure the institutional commitment of the entity to the projects funded under the grant, contract, or cooperative agreement. Such non-Federal matching funds may be provided directly or through donations from public or private entities and may be in cash or in kind, fairly evaluated, including plant, equipment, or services.
  - "(4) MAINTENANCE OF EFFORT.—With respect to activities for which a grant, cooperative agreement, or contract is awarded under this section, the Secretary may require the recipient to agree to maintain expenditures of non-Federal amounts for such activities at a level that is not less than the level of such expenditures maintained by the entity for such fiscal year preceding the fiscal year for which the entity re-

1	ceives such a grant, contract, or cooperative agree-
2	ment.
3	"(5) Application and funding agree-
4	MENTS.—
5	"(A) APPLICATION.—An application for a
6	grant, contract, or cooperative agreement under
7	this section shall ensure that amounts received
8	under such grant, contract, or agreement will not
9	be expended—
10	"(i) to provide inpatient services;
11	"(ii) to make cash payments to in-
12	tended recipients of services;
13	"(iii) to purchase or improve land,
14	purchase, construct, or permanently im-
15	prove (other than minor remodeling) any
16	building or other facility, or purchase major
17	$medical\ equipment;\ or$
18	"(iv) to satisfy any requirement for the
19	expenditure of non-Federal funds as a con-
20	dition for the receipt of Federal funds.
21	"(B) Funding Agreement.—A funding
22	agreement for a grant, contract, or cooperative
23	agreement under this section is that the entity
24	involved will not expend more than 10 percent of
25	the grant, contract, or agreement for administra-

1	tive expenses with respect to the grant, contract,
2	or agreement.
3	"(d) Reduction in Payments.—The Secretary, at the
4	request of a State or a political subdivision of a State, or
5	a public or private nonprofit entity, may reduce the
6	amount of payments under this section by—
7	"(1) the fair market value of any supplies or
8	equipment furnished the State, political subdivision of
9	the State, or a public or private nonprofit entity; and
10	"(2) the amount of the pay, allowances, and
11	travel expenses of any officer, fellow, or employee of
12	the Government when detailed to the State, a political
13	subdivision of the State, or a public or private non-
14	profit entity, and the amount of any other costs in-
15	curred in connection with the detail of such officer,
16	fellow, or employee;
17	when the furnishing of such officer, fellow, or employee is
18	for the convenience of and at the request of the State, politi-
19	cal subdivision of the State, or public or private non-profit
20	entity and for the purpose of conducting activities described
21	in this section. The amount by which any payment is so
22	reduced shall be available for payment by the Secretary of
23	the costs incurred in furnishing the supplies or equipment
24	or in detailing the personnel, on which the reduction of the
25	payment is based, and the amount shall be deemed to have

- 1 been paid to the State, political subdivision of the State,
- 2 or public or private non-profit entity.
- 3 "(e) Evaluations.—The Secretary shall evaluate each
- 4 project carried out under section (a)(1)(B) and shall dis-
- 5 seminate the findings with respect to each such evaluation
- 6 to appropriate public and private entities.
- 7 "(f) Information and Education.—
- 8 "(1) In general.—The Secretary shall establish
- 9 information and education programs to disseminate
- 10 the findings of the research, demonstration, and
- 11 training programs under this section to the general
- 12 public and to health professionals.
- 13 "(2) DISSEMINATION.—The Secretary shall take
- such action as may be necessary to insure that all
- 15 methods of dissemination and exchange of informa-
- 16 tion are maintained between the Substance Abuse and
- 17 Mental Health Services Administration and the pub-
- 18 lic, and the Administration and other scientific orga-
- 19 nizations, both nationally and internationally.
- 20 "(g) Authorization of Appropriations.—There
- 21 are authorized to be appropriated to carry out this section
- 22 \$215,000,000 for fiscal year 1996, and such sums as may
- 23 be necessary for each of the fiscal years 1997 through
- 24 1999.".

1	TITLE III—GENERAL
2	<b>PROVISIONS</b>
3	SEC. 301. REPORTING BY STATES ON PERFORMANCE.
4	Section 1942(a) (42 U.S.C. 300x-52(a)) is amended—
5	(1) in paragraph (1), by striking "and" at the
6	end thereof;
7	(2) in paragraph (2), by striking the period and
8	inserting "; and"; and
9	(3) by adding at the end thereof the following:
10	"(3) the performance of the State in relation to
11	the objectives specified or agreed upon under sections
12	1912(b)(5) or section 1921A(b)(5), as applicable.".
13	SEC. 302. ADDITIONAL REQUIREMENTS.
14	Section 1943(a) (42 U.S.C. 300x-53(a)) is amended
15	in paragraph (1), to read as follows:
16	"(1) provide for a review (the conduct of which
17	shall to extent practicable be completed annually, but
18	in any event not less than once every 2 years) to as-
19	sess the quality, appropriateness, and efficacy of
20	treatment through existing State accreditation and
21	certification standards, processes, and procedures of
22	the services provided under the State program;".
23	SEC. 303. ON SITE PERFORMANCE REVIEWS.
24	Section $1945(g)(1)$ (42 U.S.C. $300x-55(g)(1)$ ) is
25	amended by striking "in fiscal year 1994" and all that fol-

1	lows through the end thereof and inserting ", not more fre-
2	quently than once every 3 nor less frequently than once
3	every 5 years, conduct an on-site performance review of a
4	State's activities supported under this part.".
5	SEC. 304. ADDITIONAL YEAR FOR OBLIGATION BY STATE.
6	Section 1952(a) (42 U.S.C. 300x-62(a)) is amended
7	by striking "until the end" and all that follows through the
8	end thereof and inserting "and expenditure until the end
9	of the fiscal year following the fiscal year for which the
10	amounts were paid.".
11	SEC. 305. DEFINITIONS.
12	Section 1954(b) (42 U.S.C. 300x-64(B)) is amended
13	by adding the following new paragraphs at the end thereof.
14	"(5) The term 'performance indicator' means of
15	quantifiable characteristic used as a measurement.
16	"(6) The term 'performance target' means a nu-
17	merical value sought to be achieved within a specified
18	period of time.".
19	SEC. 306. REPEAL OF OBSOLETE PROVISIONS CONCERNING
20	ALLOCATIONS.
21	(a) In General.—Section 1933 (42 U.S.C. 300x-33)
22	is amended—
23	(1) by striking subsection (b);
24	(2) in subsection $(c)(2)$ —

1	(A) in subparagraph (A), by adding "and"
2	at the end thereof;
3	(B) in subparagraph (B), by striking ";
4	and" at the end of subparagraph (B) and insert-
5	ing a period; and
6	(C) by striking subparagraph (C); and
7	(3) by redesignating subsections (c) and (d) as
8	subsection (b) and (c), respectively.
9	(b) Conforming Amendment.—Section 1923(h) (as
10	so redesignated by section 201(c)(4)(A)) is amended by
11	striking "section $1933(c)(2)(B)$ " and inserting "section
12	1933(b)(2)(B)".
13	SEC. 307. REPEAL OF OBSOLETE ADDICT REFERRAL PROVI-
14	SIONS.
15	(a) Repeal of Obsolete Public Health Service
16	ACT AUTHORITIES.—Part E of title III (42 U.S.C. 257 et
17	seq.) is repealed.
18	(b) Repeal of Obsolete NARA Authorities.—Ti-
19	tles III and IV of the Narcotic Addict Rehabilitation Act
20	of 1966 are repealed.
21	(c) Repeal of Obsolete Title 28 Authorities.—
22	(1) In general.—Chapter 175 of title 28, Unit-
23	ed States Code, is repealed.

1	(2) Table of contents.—The table of contents
2	to part VI of title 28, United States Code, is amended
3	by striking the items relating to chapter 175.
4	SEC. 308. REGULATIONS.
5	Section 1949 (42 U.S.C. 300x-59) is amended to read
6	as follows:
7	"SEC. 1949. REGULATIONS.
8	"The Secretary shall promulgate regulations as the
9	Secretary determines are necessary to carry out this part.".
10	SEC. 309. ADVISORY COUNCILS.
11	Section $502(b)(3)(A)$ (42 U.S.C. $290aa-1(b)(3)(A)$ ) is
12	amended by inserting "and leading representatives from
13	State and local governments" after "sciences)".
14	SEC. 310. REPORT ON DEVELOPMENT OF PARTNERSHIPS
15	AND USE OF GRANTS.
16	Not later than January 1, 1999, the Secretary of
17	Health and Human Services shall prepare and submit to
18	the appropriate committees of Congress a report that con-
19	tains—
20	(1) information concerning the adequacy of out-
21	come data sets to measure State performance with re-
22	spect to amounts received by the State under subparts
23	I and II of part B of title XIX of the Public Health
24	Service Act (as amended by this Act);

1	(2) information concerning the range and types
2	of performance partnership objectives and measures
3	utilized by the State under such subparts; and
4	(3) a plan, if determined by the Secretary to be
5	feasible after considering information received under
6	such subparts, for the implementation of incentive-
7	based performance partnership grants that shall in-
8	clude a disclosure of public comments.
9	SEC. 311. AUTHORITY TO USE PORTION OF GRANT FOR
10	OTHER PURPOSES.
11	Subpart III of part B of title XIX (42 U.S.C. 300x-
12	51) is amended by adding at the end thereof the following
13	new section:
14	"SEC. 1955. AUTHORITY TO USE PORTION OF GRANT FOR
15	OTHER PURPOSES.
16	"(a) In General.—A State may use not more than
17	10 percent of the annual amount paid to the State under
18	subpart I or subpart II for a fiscal year to carry out—
19	"(1) in the case of amounts from subpart I, ac-
20	tivities pursuant to subpart II; or
21	"(2) in the case of amounts from subpart II, ac-
22	tivities pursuant to subpart I.
23	"(b) APPLICABLE RULES.—Any amount paid to the
24	State under this part that is used to carry out activities
25	as provided for under subsection (a) shall comply with the

- 1 requirements that apply to funds provided directly under
- 2 either subpart I or II, as the case may be, to carry out
- 3 the activities.".
- 4 TITLE IV—REAUTHORIZATION
- 5 **OF PROTECTION AND ADVO-**
- 6 CACY FOR MENTALLY ILL IN-
- 7 DIVIDUALS ACT OF 1986
- 8 SEC. 401. SHORT TITLE.
- 9 The first section of the Protection and Advocacy for
- 10 Mentally Ill Individuals Act of 1986 (Public Law 99–319)
- 11 is amended to read as follows:
- 12 "SECTION 1. SHORT TITLE.
- 13 "This Act may be cited as the Protection and Advo-
- 14 cacy for Individuals With Mental Illnesses Act'.".
- 15 SEC. 402. REAUTHORIZATION.
- 16 Section 117 of the Protection and Advocacy for Indi-
- 17 viduals With Mental Illnesses Act (as amended by section
- 18 401) (42 U.S.C. 10827) is amended by striking "1995" and
- 19 inserting "1999".
- 20 SEC. 403. ALLOTMENT FORMULA.
- 21 (a) MINIMUM AMOUNT.—Section 112(a)(2) of the Pro-
- 22 tection and Advocacy for Mentally Ill Individuals Act (as
- 23 amended by section 401) (42 U.S.C. 10822(a)(2)) is amend-
- 24 ed to read as follows:

1	"(2)(A) The minimum amount of the allotment of an
2	eligible system shall be the product (rounded to the nearest
3	\$100) of the appropriate base amount specified in subpara-
4	graph (B) and the factor specified in subparagraph (C).
5	"(B) For purposes of subparagraph (A), the appro-
6	priate base amount—
7	"(i) for American Samoa, Guam, the Marshall
8	Islands, the Federated States of Micronesia, the Com-
9	monwealth of the Northern Mariana Islands, the Re-
10	public of Palau, and the Virgin Islands, is \$139,300;
11	and
12	"(ii) for any other State, is \$260,000.
13	"(C) For purposes of subparagraph (A), the factor
14	specified in this subparagraph is the ratio of the amount
15	appropriated under section 117 for the fiscal year for which
16	the allotment is being made to the amount appropriation
17	under such section for fiscal year 1995.".
18	(b) Technical Amendments.—Section 112(a) of such
19	Act (42 U.S.C. 10822(a)) is amended—
20	(1) in paragraph (1)(B), by striking "Trust Ter-
21	ritory of the Pacific Islands" and inserting "Marshall
22	Islands, the Federated States of Micronesia, the Re-
23	public of Palau"; and
24	(2) by striking paragraph (3).

## 1 TITLE V—REAUTHORIZATION OF 2 CERTAIN INSTITUTES

3	SEC. 501. REAUTHORIZATION OF CERTAIN INSTITUTES.
4	(a) National Institute on Alcohol Abuse and
5	Alcoholism.—Section $464H(d)(1)$ (42 U.S.C. $285m(d)(1)$ )
6	is amended by striking "for fiscal year 1994" and inserting
7	"for each of the fiscal years 1994 through 1996".
8	(b) National Institute on Drug Abuse.—
9	(1) In General.—Section $464L(d)(1)$ (42)
10	$U.S.C.\ 285o(d)(1))$ is amended by striking "for fiscal
11	year 1994" and inserting "for each of the fiscal years
12	1995 and 1996".
13	(2) Medication development program.—Sec-
14	tion 464P(e) (42 U.S.C. 2850-4(e)) is amended by
15	striking "and \$95,000,000 for fiscal year 1994" and
16	inserting "\$95,000,000 for fiscal year 1994, and such
17	as may be necessary for each of the fiscal years 1995
18	and 1996".
19	(c) National Institute of Mental Health.—Sec-
20	tion 464R(f)(1) (42 U.S.C. 285p(f)(1)) is amended by strik-
21	ing "for fiscal year 1994" and inserting "for each of the
22	fiscal years 1994 through 1996".

1	TITLE VI—TRANSITION PROVI-
2	SIONS AND EFFECTIVE DATES
3	SEC. 601. TRANSITION PROVISIONS AND EFFECTIVE DATES.
4	(a) Objective and Data Development Process.—
5	(1) In general.—The Secretary of Health and
6	Human Services (hereafter referred to in this section
7	as the "Secretary") shall develop and implement a
8	process to—
9	(A) establish a model set of mental health
10	and substance abuse prevention and treatment
11	objectives that, to the extent practicable, meet the
12	requirements of sections 1911 and 1921 of the
13	Public Health Service Act (as amended by sec-
14	tions 101(b) and 201(b) of this Act);
15	(B) determine the availability, relevancy,
16	and sufficiency of data necessary to measure ca-
17	pacity, process, or outcomes with respect to such
18	model set of objectives; and
19	(C) establish a plan to improve the avail-
20	ability, relevancy, and sufficiency of data if the
21	data sets that are available at the time such
22	process is being developed are determined to be
23	in a dequate.
24	(2) Consultation.—In carrying out paragraph
25	(1), the Secretary shall consult with representatives

1	from State and local governments, Indian Tribes,
2	mental health and substance abuse service providers,
3	consumers and families, researchers, and other indi-
4	viduals who have technical relevancy with respect to
5	the development of the process under such paragraph.
6	(3) Implementation.—In implementing the
7	process under paragraph (1), the Secretary may
8	award a contract to an independent entity for—
9	(A) the conduct of a technical analysis of
10	the availability, relevancy, and sufficiency of
11	data sets existing on the date on which such con-
12	tract is awarded; and
13	(B) the development of a data strategy if
14	such existing data sets are determined to be in-
15	sufficient to measure the model set of mental
16	health and substance abuse prevention and treat-
17	ment objectives developed under paragraph
18	(1)(A).
19	(b) General Effective Date.—Except as provided
20	in subsection (c), this Act shall take effect on the date of
21	enactment of this Act or October 1, 1995, whichever occurs
22	later.
23	(c) Exceptions.—
24	(1) Performance partnerships.—The amend-
25	ments made by sections 101 and 201 shall take effect

- on the date on which the Secretary of Health and Human Services determines that the model set of objectives and the data sets described in subsection (a) have been developed and are sufficient and available to measure process/capacity or outcomes, but in no event earlier than October 1, 1997.
  - (2) PREPARATION AND NEGOTIATION.—The Secretary of Health and Human Services may consult with the States, and others, in preparing for the implementation of the performance partnership grants under the amendments made by this Act. In no event shall such Secretary require a State to begin the negotiation process for the implementation of a performance partnership grant for a fiscal year prior to fiscal year 1998.
  - (3) Specific effective dates.—Sections 103 and 207 (relating to maintenance of effort), sections 104 and 208 (relating to for-profit eligibility), section 203 (relating to tuberculosis and HIV), section 204 (relating to group home revolving loan funds), and section 303 (relating to the additional year for obligation), shall become effective as if enacted on October 1, 1994.

1	(4) Additional repeals.—The following provi-
2	sions of the Public Health Service Act are repealed ef-
3	fective on the date referred to in paragraph (1):
4	(A) Subsection (b) of section 1922 (42
5	U.S.C. 300x-22(b)), relating to minimum alloca-
6	tion of funds for services to pregnant women and
7	women with dependent children.
8	(B) Section 1923 (42 U.S.C. 300x-23), re-
9	lating to whether injecting drug users have time-
10	ly access to treatment upon request.
11	(C) Section 1924 (42 U.S.C. 300x-24), re-
12	lating to requirements related to tuberculosis and
13	HIV.
14	(D) Section 1929 (42 U.S.C. 300x-29), re-
15	lating to the needs assessments.
16	(d) Existing Projects.—A project that receives sup-
17	port for fiscal year 1996, 1997, 1998, or 1999 under section
18	506 or 520A of the Public Health Service Act (as amended
19	by section 108 or 109(2), respectively), and that previously
20	received support under title V of the Public Health Service
21	Act for fiscal year 1995, shall be subject to the requirements
22	to which that project was subject to for fiscal year 1995
23	unless the Secretary of Health and Human Services deter-
24	mines otherwise.

- 1 (e) Waivers.—Notwithstanding any other provision
- 2 of this Act, or an amendment made by this Act, the Sec-
- 3 retary of Health and Human Services may grant a State
- 4 a waiver to permit such State to operate a performance
- 5 partnership program prior to fiscal year 1998. Such pro-
- 6 grams shall be operated under the requirements described
- 7 in the amendments made by sections 101 and 201 and shall
- 8 be funded using amounts appropriated for the fiscal year
- 9 involved under part B of title XIX of the Public Health
- 10 Service Act.
  - S 1180 RS——2
  - S 1180 RS——3
  - S 1180 RS——4
  - S 1180 RS——5
  - S 1180 RS——6
  - S 1180 RS——7
  - S 1180 RS——8
  - S 1180 RS——9
  - S 1180 RS——10